



Department for  
Business, Energy  
& Industrial Strategy

# APPRENTICESHIP PAY SURVEY 2016: GREAT BRITAIN

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# Contents

<b>List of Figures</b>	<b>4</b>
<b>List of Tables</b>	<b>6</b>
<b>1. Executive Summary</b>	<b>8</b>
Background	8
Research Objectives	8
Methodology	8
Key Findings	9
<b>2. Introduction</b>	<b>16</b>
Background	16
Research Objectives	17
Methodology	18
The questionnaire	18
Sampling and weighting	19
Comparisons with previous Apprenticeship Pay Surveys	20
Key variables used in this report	20
About this report	26
Report Interpretation	26
<b>3. Pay levels of Level 2 and Level 3 apprentices in Great Britain</b>	<b>28</b>
Key facts and summary	28
Routes into Apprenticeships	29
Working arrangements and number of hours contracted to work	31
Rates of Pay	41
Total weekly earnings	53
Compliance with the National Minimum Wage and National Living Wage	66
<b>4. Pay levels of Level 4 and Level 5 apprentices in Great Britain</b>	<b>87</b>
Routes into Apprenticeships	87
Working arrangements and number of hours contracted to work	88
Rates of Pay	96

Total weekly earnings _____	101
Compliance with the National Minimum Wage and National Living Wage _____	111
<b>Appendix A: Supplementary Tables _____</b>	<b>118</b>
<b>Appendix B: Methodology _____</b>	<b>120</b>
Summary _____	120
The profile of apprentices _____	120
Sampling _____	123
The response rate _____	125
Weighting _____	125
Net to Gross Pay Conversion Calculation _____	126
Gross Hourly Pay Conversion _____	127
<b>Appendix C: The questionnaire _____</b>	<b>129</b>
<b>Appendix D: Reassurance email _____</b>	<b>185</b>

# List of Figures

Figure 3.1 Proportion of Level 2 and Level 3 apprentices in GB working for their employer prior to starting their apprenticeship, by framework	31
Figure 3.2 Number of hours contracted to work versus number of actual hours working and training	35
Figure 3.3 Proportion receiving at least one day of formal training per week on average, by framework (GB Level 2 and Level 3)	40
Figure 3.4 Pay arrangements for apprentices in 2016 and 2014 (Level 2 and 3 across GB)	41
Figure 3.5 Median basic hourly pay in 2016 and 2014 (Level 2 and Level 2 apprentices across GB)	46
Figure 3.6 Distribution of basic hourly pay, 2016 and 2014 (%) (Level 2 and 3 apprentices across GB)	48
Figure 3.7 Mean total weekly earning of Level 2 and 3 GB apprentices split by basic pay, overtime, tips and bonuses, and the percentage of the mean total weekly earnings made up by basic pay, by framework	54
Figure 3.8 Proportion of GB Level 2 and Level 3 apprentices working overtime, by basic hourly pay	57
Figure 3.9 Proportion of Level 2 and 3 GB apprentices that were paid or not paid for their overtime, by framework	59
Figure 3.10 Amount received in tips by Level 2 and Level 3 GB apprentices in a typical week	62
Figure 3.11 Compliance by age and year of apprenticeship (GB Level 2 and Level 3 apprentices)	70
Figure 3.12 Level 2 and Level 3 apprentice pay rates and non-compliance distribution (GB)	72
Figure 3.13 Distribution of pay for those with non-compliant pay aged 16-18 or in the first year of apprenticeship (GB Level 2 and Level 3)	74
Figure 3.14 Distribution of pay for those with non-compliant pay aged 19-20 and in the second year or later of apprenticeship (GB Level 2 and Level 3)	75
Figure 3.15 Distribution of pay for those with non-compliant pay aged 21-24 and in the second year or later of apprenticeship (GB Level 2 and Level 3)	76
Figure 3.16 Distribution of pay for those with non-compliant pay aged 25 and over and in the second year or later of apprenticeship (GB Level 2 and Level 3)	77
Figure 3.17 Awareness of NMW, NLW and hourly rates (GB Level 2 and Level 3)	83
Figure 4.1 Proportion of Level 4 and Level 5 apprentices in Great Britain working for their employer prior to starting their apprenticeship, by framework	88
Figure 4.2 Number of hours contracted to work versus number of actual hours working and training	91

Figure 4.3 Proportion receiving at least one day of formal training per week on average, by framework (Great Britain Level 4 and Level 5)	95
Figure 4.4 Pay arrangements for apprentices in 2016 and 2014 (Level 4 and 5 apprentices across Great Britain)	96
Figure 4.5 Mean total weekly earnings of Level 4 and 5 GB apprentices split by basic pay, overtime, tips and bonuses, and the percentage of the mean total weekly earnings made up by basic pay, by framework	103
Figure 4.6 Compliance by age and year of apprenticeship (GB Level 4 and Level 5 apprentices)	113
Figure 4.7 Level 4 and Level 5 apprentice pay rates and non-compliance distribution (GB)	115
Figure 4.8 Awareness of NMW, NLW and hourly rates (GB Level 4 and Level 5)	116

# List of Tables

Table 1.1 Mean and Median basic hourly pay for GB apprentices in 2014 and 2016	9
Table 1.2 Median basic hourly pay for GB apprentices in 2014 and 2016	10
Table 1.3 Mean and Median hourly pay for apprentices by level and country	11
Table 1.4 Mean and Median hourly pay for level 2 and level 3 GB apprentices	12
Table 1.5 Compliance by age and year of apprenticeship 2014 and 2016	13
Table 2.1 National Minimum Wage Rates (hourly)	17
Table 2.2 Demographic profile of apprentices	24
Table 2.3 Framework details (Level 2 and Level 3 apprentices)	25
Table 3.1 Mean and Median Basic Pay by Country	28
Table 3.2 Written contracts and employment arrangements by framework and age of GB Level 2 and Level 3 apprentices	32
Table 3.3 Number of hours contracted to work versus number of actual hours working and training (GB Level 2 and Level 3)	36
Table 3.4 Number of hours apprentices contracted to work versus number of actual hours worked or trained (GB Level 2 and Level 3 apprentices)	38
Table 3.5 Proportion paid the same amount regardless of hours worked by framework (GB Level 2 and Level 3)	43
Table 3.6 Pay arrangements for apprentices by framework and age (Level 2 and Level 3 across GB)	45
Table 3.7 Basic hourly pay for Level 2 and Level 3 across in Great Britain	47
Table 3.8 Whether experienced any pay increases by framework and age (Level 2 and Level 3 apprentices across Great Britain)	50
Table 3.9 Mean and median basic hourly rate based on contracted weekly hours (Level 2 and 3 apprentices in Great Britain with set contracted hours)	51
Table 3.10 Hourly basic pay rate versus overtime rate of apprentices not answering with a payslip who provided paid overtime information	52
Table 3.11 Mean and median total weekly earnings from basic pay for Level 2 and 3 GB apprentices, by framework	55
Table 3.12 Proportion of Level 2 and 3 GB apprentices working overtime, by framework	56
Table 3.13 Mean and median weekly unpaid overtime hours for Level 2 and 3 apprentices in Great Britain, by framework (among those working any unpaid overtime)	61
Table 3.14 Mean and median weekly bonus for Level 2 and Level 3 GB apprentices receiving bonuses, by framework	64
Table 3.15 Compliance by age and year of apprenticeship in 2014 and 2016	67
Table 3.16: Compliance with NMW by framework for GB Level 2 and Level 3 apprentices	68

Table 3.17 Apprentice pay rates and compliance / non-compliance (GB Level 2 and Level 3) _____	71
Table 3.18 Comparative compliance rates _____	79
Table 3.19 Comparison of non-compliance by different calculation methods by age, gender, year of apprenticeship, and framework (GB Level 2 and Level 3) _____	80
Table 3.20 Impact on compliance levels according to certain pay elements, among the apprentices who received that element of pay (GB Level 2 and Level 3) _____	81
Table 3.21 Awareness of an Apprenticeship NMW and of the NMW hourly rate by framework (GB Level 2 and Level 3 apprentices) _____	85
Table 3.22 Extent of non-compliance by NMW and apprenticeship NMW (ANMW) awareness (GB Level 2 and Level 3 apprentices) _____	86
Table 4.1 Written contracts and employment arrangements by framework and age of Great Britain Level 4 and Level 5 apprentices _____	89
Table 4.2 Number of hours contracted to work versus number of actual hours working and training (Great Britain Level 4 and Level 5) _____	92
Table 4.3 Number of hours apprentices contracted to work versus number of actual hours (Great Britain Level 4 and Level 5 apprentices) _____	94
Table 4.4 Proportion paid the same amount regardless of hours worked, by framework (GB Level 4 and 5) _____	97
Table 4.5 Pay arrangements for apprentices by framework and age (Level 4 and Level 5 across Great Britain) _____	98
Table 4.6 Basic hourly pay for Level 4 and Level 5 apprentices across Great Britain _____	99
Table 4.7 Whether experienced any pay increases by framework and age (Level 4 and Level 5 apprentices across Great Britain) _____	101
Table 4.8 Mean and median total weekly earnings from basic pay for Level 4 and 5 apprentices in Great Britain, by framework _____	105
Table 4.9 Proportion of Level 4 and 5 apprentices working overtime, by framework _____	106
Table 4.10 Mean and median weekly bonus for Level 4 and Level 5 apprentices receiving bonuses, by framework _____	109
Table 4.11 Compliance by age and year of apprenticeship in 2014 and 2016 (GB Level 4 and 5) _____	112
Table 4.12 Apprentice pay rates and compliance / non-compliance (GB Level 4 and Level 5) _____	114
Table 4.13 Awareness of an Apprenticeship NMW and of the NMW hourly rate by framework (GB Level 2 and Level 3 apprentices) _____	117

# 1. Executive Summary

## Background

1. Apprenticeships are a structured programme of training, consisting of paid employment and learning, which give people the opportunity to work for an employer, learn on the job, build up knowledge and skills, and gain recognised qualifications within a specific occupation or trade.
2. Apprenticeships are administered by the Skills Funding Agency (SFA) in England, Skills Development Scotland (SDS) in Scotland and the Welsh Government (WG) in Wales.
3. The National Minimum Wage is the minimum pay per hour almost all workers in the UK are entitled to by law. As well as separate minimum rates for those aged under 18, 18 to 20 and 21 to 24, there is a distinct National Minimum Wage rate for apprentices aged 16 to 18, and those aged 19 or over who are in their first year of the Apprenticeship. All other apprentices are entitled to the National Minimum Wage for their age. From 1 April 2016, the government introduced a new mandatory National Living Wage (NLW) for workers aged 25 and above, initially set at £7.20 an hour - 50p higher than the adult NMW rate of £6.70 which applies to those aged 21 to 24. Apprentices aged 25 and above are entitled to the NLW if they are in the second or later year of their apprenticeship.

## Research Objectives

4. The main aim of this research was to provide an accurate, up-to-date picture of the pay of the apprentice population, both across Great Britain, and within England, Scotland and Wales, in order to assist with development and monitoring of Apprenticeship and National Minimum Wage policy. For example, evidence from the Apprenticeship Pay Survey contributes to the Low Pay Commission's recommendations to Government for the Apprenticeship minimum wage rate.

## Methodology

5. The survey comprised 9,422 telephone interviews with apprentices, conducted from 9 June 2016 to 25 July 2016.
6. Further details of the survey methodology can be found in Chapter 2, as well as in Appendix B and a separate Technical Report.



## Key Findings

### Basic hourly pay

7. Among Level 2 and Level 3 apprentices the median basic pay was £6.70 an hour, and the mean £6.98. Both were higher than in 2014 (median: £6.31, mean: £6.79). Among higher apprentices on Level 4 and Level 5 provision, the median pay was £9.83 an hour, and the mean £10.80. The basic pay figure has been derived by dividing all basic pay (excluding higher rate pay, tips, bonuses and accommodation allowances) by the total number of hours worked (excluding any hours worked at a higher rate, but including time spent training).

**Table 1.1 Mean and Median basic hourly pay for GB apprentices in 2014 and 2016**

	<i>2014 Base:</i>	<b>2014 Mean</b>	<b>2014 Median</b>	<i>2016 Base:</i>	<b>2016 Mean</b>	<b>2016 Median</b>
<b>Level 2 / 3</b>	7,265	£6.79	£6.31	7,378	£6.98	£6.70
Level 2	3,546	£6.29	£6.00	3,563	£6.66	£6.32
Level 3	3,719	£7.44	£6.60	3,815	£7.37	£7.09
<b>Level 4/5</b>	713	£11.63	£9.68	801	£10.80	£9.83

*Base: these results are based on those for whom it was possible from their survey responses to calculate a gross hourly pay figure.*

8. There were large differences by framework, as illustrated in Table 1.2. As in previous years, the basic hourly pay figure for Level 2 and Level 3 apprentices was lowest in the Hairdressing framework (£3.47 median).

**Table 1.2 Median basic hourly pay for GB apprentices in 2014 and 2016**

	<i>2014 Base:</i>	<b>2014 Median</b>	<i>2016 Base:</i>	<b>2016 Median</b>
<b>Level 2 and Level 3 Frameworks:</b>	<b>7,265</b>	<b>£6.31</b>	<b>7,378</b>	<b>£6.70</b>
Hairdressing	450	£2.94	465	£3.47
Children's Care	460	£5.02	380	£5.04
Other	400	£6.02	320	£5.24
Business and related	812	£5.80	736	£5.98
Construction and related	902	£5.37	847	£6.00
Engineering/ Manufacturing	1,238	£5.83	1,226	£6.44
Electrotechnical	535	£6.24	449	£6.52
Hospitality and Catering	514	£6.31	478	£6.78
Retail	456	£6.59	559	£6.95
Health, Social Care & Sport	764	£6.52	1,002	£7.19
Customer Service	380	£6.71	403	£7.21
Management	354	£8.42	513	£8.75
<b>Level 4 and Level 5 Frameworks:</b>	<b>713</b>	<b>£11.63</b>	<b>801</b>	<b>£9.83</b>
Accounting	217	£7.62	169	£7.69
Other	105	£11.98	192	£9.07
Business and Administration	<i>n/a</i>	<i>n/a</i>	118	£9.85
Care Leadership and Management	391	£12.63	322	£10.29

*Base: these results are based on those for whom it was possible from their survey responses to calculate a gross hourly pay figure. This table is ranked in descending order of pay within level.*

9. Basic hourly pay by country according to level of Apprenticeship is shown in Table 1.3. Among both Level 2 and 3 apprentices and Level 4 and 5 apprentices, those in Scotland had the highest mean average pay. Highest median pay for Level 2 and 3 apprentices was in England, and in Wales for Level 4 and 5.
10. Care should be taken with the interpretation of differences such as this, as variations can often be explained by structural differences in the demographic make-up of particular groups.

**Table 1.3 Mean and Median hourly pay for apprentices by level and country**

	<i>2014 Base</i>	2014 Mean	2014 Median	<i>2016 Base</i>	2016 Mean	2016 Median
<b>Level 2 and Level 3 apprentices</b>						
<b>Great Britain</b>	<b>7,265</b>	<b>£6.79</b>	<b>£6.31</b>	<b>7,378</b>	<b>£6.98</b>	<b>£6.70</b>
England	4,239	£6.78	£6.31	4,357	£6.99	£6.70
Scotland	1,741	£6.61	£6.11	1,411	£7.04	£6.66
Wales	1,285	£7.43	£6.63	1,610	£6.72	£6.63
<b>Level 4 and Level 5 apprentices</b>						
<b>Great Britain</b>	<b>713</b>	<b>£11.63</b>	<b>£9.68</b>	<b>801</b>	<b>£10.80</b>	<b>£9.83</b>
England	394	£10.70	£8.97	478	£10.59	£9.63
Scotland	125	£14.45	£13.98	161	£13.21	£10.07
Wales	194	£11.10	£9.79	162	£11.13	£10.33

*Base: these results are based on those for whom it was possible from their survey responses to calculate an hourly pay figure.*

11. Results on hourly pay by year of Apprenticeship, age and gender for Level 2 and Level 3 apprentices are shown in Table 1.4. Pay increases with age and year of apprenticeship. As in 2014, there was little difference by gender.

**Table 1.4 Mean and Median hourly pay for level 2 and level 3 GB apprentices**

	<i>2014 Base:</i>	<b>2014 Mean</b>	<b>2014 Median</b>	<i>2016 Base:</i>	<b>2016 Mean</b>	<b>2016 Median</b>
<b>Total</b>	<b>7,265</b>	<b>£6.79</b>	<b>£6.31</b>	<b>7,378</b>	<b>£6.98</b>	<b>£6.70</b>
<b>Year of Apprenticeship:</b>						
First year of Apprenticeship	5,188	£6.56	6.26	5,115	£6.68	£6.38
Second or later year of Apprenticeship	2,077	£7.34	6.47	2,263	£7.66	£7.15
<b>Age:</b>						
16-18	2,005	£4.34	£3.43	1,859	£4.80	£3.81
19-20	2,071	£5.50	£5.06	2,045	£5.70	£5.30
21-24	1,562	£6.70	£6.48	1,610	£7.20	£6.95
25+	1,626	£8.62	£7.27	1,864	£8.53	£7.64
<b>Gender:</b>						
Male	4,242	£6.79	£6.19	4,106	£7.10	£6.60
Female	3,023	£6.79	£6.36	3,272	£6.85	£6.77

*Base: these results are based on those for whom it was possible from their survey responses to calculate an hourly pay figure.*

#### Non-compliance with NMW / NLW

12. In order to assess compliance with the NMW and NLW, apprentices' pay rates were calculated according to eligibility for NMW or NLW. In summary, the figure includes: hours spent training as well as those working; unpaid overtime hours; overtime paid at the 'standard rate'; and accommodation provision and charges. It excludes (the pay and the hours) of overtime paid at a higher rate, and any tips and bonuses.
13. It is worth noting that pay could appear compliant or non-compliant due to reporting error – for example, apprentices might round their pay up or down, or misremember the number of hours they worked, leading to an erroneous gross hourly pay figure. Also, non-compliance may not necessarily be 'malicious' on the part of the employer. It can arise, for example, from an apprentice voluntarily undertaking unpaid overtime or from undertaking long hours of training in their own time. Hence an apprentice's pay may be compliant (at or above the NMW / NLW) for the hours for which they are paid, but when voluntary unpaid hours are taken into account the hourly rate falls below the NMW / NLW.
14. Looking only at Level 2 and 3 apprentices for whom compliance can be assessed, 18 per cent were paid below the appropriate NMW or NLW, an increase from 15 per cent in 2014. The figure amongst those on Level 4 or Level 5 provision was five per cent.

15. When comparing compliance levels between 2014 and 2016, it is important to note that the lowest NMW rate for apprentices (applying to those aged 16 to 18, and all those in their first year of the apprenticeship) underwent a considerable increase between October 2013 (the rate applicable at the time of the 2014 survey) and October 2015 (the rate applicable for the 2016 survey); additionally, the new NLW rate came into force from April 2016, creating a new minimum rate (£7.20) for all those aged 25 and over and in the second year of their apprenticeship or later.
16. Table 1.5 shows the proportion of apprentices with compliant and non-compliant pay, grouped by age and year of apprenticeship. There have been increases in the levels of non-compliance among the two groups where the biggest increases in the minimum pay rate have taken place: non-compliance among those aged 16-18 or in the first year of their apprenticeship increased from 10 per cent in 2014 to 13 per cent in 2016, and non-compliance among those aged 25 and over in their second year or later (now eligible for the new NLW) has increased from 23 per cent in 2014 to 31 per cent in 2016. Among the remaining two groups, where smaller increases in the minimum rate took place, non-compliance has remained in line with 2014.

**Table 1.5 Compliance by age and year of apprenticeship 2014 and 2016**

		2014				2016		
<i>Row percentages</i>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>
Age 16-18 or in first year of apprenticeship	%	6,066	90	10	%	5,832	87	13
Age 19-20 and in second year of apprenticeship	%	783	69	31	%	782	68	32
Age 21-24 and in second year of apprenticeship	%	545	65	35	%	657	68	32
Age 25+ and in second year of apprenticeship	%	501	77	23	%	593	69	31

*Base: all for whom compliance / non-compliance could be calculated*

17. By framework, non-compliance among Level 2 and Level 3 apprentices was higher than average in Hairdressing (46 per cent), and Children's Care (27 per cent).
18. Younger apprentices were more likely to be earning less than the NMW, with nearly three in ten Level 2 and Level 3 16-18 year olds (29 per cent) having non-compliant pay levels, compared with 23 per cent of 19-20 year olds, 18 per cent of those aged 21-24, and 11 per cent of those aged 25 or older.

19. Those nearer the beginning of their apprenticeship were less likely to receive non-compliant pay: 12 per cent of those who had been on their apprenticeship a year or less were paid less than the appropriate minimum rate, compared with 31 per cent of those who had been on their course for more than a year. Non-compliance within both of these groups has increased compared with 2014, when the levels were nine per cent and 27 per cent respectively. Similarly, 12 per cent of Level 4 and Level 5 apprentices that had been on the course for more than a year were being paid less than NMW, compared with one per cent of those who had been on the course for a year or less. This could imply that some non-compliance cases are due to apprentices moving up to the next NMW bracket, without their pay being increased to the correct levels.
20. Those who stated that they received at least one day a week of formal training on average were more likely to receive non-compliant pay (23 per cent) than those who said they did not receive at least one day of formal training each week (14 per cent). This could imply that in some cases employers are failing to pay apprentices for time spent on formal training, thus pushing up non-compliance among this group.
21. Level 2 and Level 3 apprentices that had not worked for their employer before they started their Apprenticeship were more likely to be paid below the appropriate NMW rate (25 per cent) than those who were already working for their employer at the start of the Apprenticeship (14 per cent).
22. For Level 2 and Level 3 apprentices aged 16-18 or in the first year of their Apprenticeship, the mean pay figure among apprentices with non-compliant pay was £2.78 an hour (cf. their minimum wage of £3.30)<sup>1</sup>. A fairly high proportion of those aged 16 to 18 or in the first year of their apprenticeship were close to the NMW level, indicating that in some cases the apparent non-compliance could be due to measurement or calculation error (e.g. respondents giving rounded figures): 43 per cent were paid within 10 per cent of the correct rate, in line with the proportion in 2014 (44 per cent). However, a smaller proportion were very close (within three pence) to the correct rate (three per cent) than in 2014 (nine per cent).
23. Among those aged 19-20 and in the second year or later, the mean pay figure among non-compliant apprentices was £4.29 (cf. their minimum wage of £5.30). Four per cent had a gross hourly pay figure very close to the NMW rate (between £5.27 and £5.29), and overall nearly half (46 per cent) were paid within ten per cent of the correct rate, with a spike around the £5.00 level.
24. Among those aged 21 to 24 and in the second year or later of their Apprenticeship, the mean pay figure was £5.54 (cf. their minimum wage of £6.70). Two per cent were paid between £6.67 and £6.69, while overall more than two-fifths (44 per cent) were paid within 10 per cent of the correct NMW amount.
25. Those with non-compliant pay aged 25 and over and eligible for the National Living Wage (£7.20 an hour) received a mean of £5.54. One per cent had a gross hourly

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<sup>1</sup> Just 42 Level 4 and Level 5 apprentices were paid below the appropriate NMW; due to the low base size, it is not possible to analyse the distribution of their pay.

pay figure very close to the NMW rate (between £7.17 and £7.19), and overall more than two-fifths (44 per cent) were paid within 10 per cent of the correct rate (between £6.48 and £7.19).

26. In order to assess the potential impact of underlying pay elements on compliance, levels of pay were assessed using a number of different pay calculations:
  - Hourly pay excluding unpaid overtime;
  - Hourly pay based on total weekly earnings (that is, including all tips, bonuses and higher rate pay); and
  - Hourly pay based on basic pay and hours (excluding any additional earnings and accommodation – i.e. the ‘basic pay rate’ used throughout the rest of this report).
27. Compliance with the appropriate NMW rate was then calculated for each of these hourly pay figures (based on those apprentices for whom compliance could be determined for *all* of the above calculated pay figures, in order to ensure like-for-like comparisons).
28. At an overall level, calculating NMW with unpaid overtime removed, or using the basic hourly pay rate, does not have a significant impact on the proportion of apprentices calculated as receiving non-compliant pay. However, there is a decrease in non-compliance when hourly pay is calculated taking into account *all earnings* and *all hours*, from 18 per cent to 16 per cent, suggesting that in some cases employers may be expecting tips or other additional wages to supplement basic wages. By framework, this difference was particularly evident among Hairdressing apprentices, with a non-compliance level of 38 per cent when all earnings and hours were included, compared with 47 per cent according to the correct NMW calculation. This difference within Hairdressing is similar to that found in 2014.

### Total weekly earnings

29. The mean total weekly earnings among Level 2 and Level 3 apprentices was £282, and the median £263. Overall 94 per cent of their total weekly pay came from ‘basic’ pay and five per cent from overtime (with the remainder coming from tips and bonuses), in line with 2014.
30. Earnings varied widely by framework, with the mean total weekly pay highest among Level 2 and Level 3 apprentices on the Management framework (£411) and lowest (at £173) in the Hairdressing framework.
31. Across all Level 4 and 5 apprentices in Great Britain, mean total weekly earnings were £474 (median: £433). Again earnings varied by framework, with the mean total weekly pay highest among apprentices in the Care Leadership and Management framework (£509) and lowest (at £315) in the Accounting framework.

## 2. Introduction

### Background

1. Apprenticeships are a structured programme of training, consisting of paid employment and learning, which give people the opportunity to work for an employer, learn on the job, build up knowledge and skills, and gain recognised qualifications within a specific occupation or trade.
2. Apprenticeships are administered by the Skills Funding Agency (SFA) in England, Skills Development Scotland (SDS) in Scotland and the Welsh Government in Wales. Although funding arrangements differ slightly in each country, in all three countries employers are required to pay wages and meet other employment costs.
3. The National Minimum Wage is the minimum pay per hour almost all workers in the UK are entitled to by law<sup>2</sup>. As well as separate minimum rates for those aged under 18, 18-20 and 21 to 24, there is a distinct National Minimum Wage rate for apprentices aged 16 to 18 and those aged 19 or over who are in their first year of the Apprenticeship. All other apprentices are entitled to the National Minimum Wage for their age. From 1 April 2016, the government introduced a new mandatory National Living Wage (NLW) for workers aged 25 and above, initially set at £7.20 an hour - 50p higher than the adult NMW rate of £6.70, which applies to those aged 21 to 24.
4. The current and recent National Minimum Wage rates are shown in Table 2.1. At the time of the survey the NMW rates that applied were the 2015 rates, shown in bold.

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<sup>2</sup> Exceptions include self-employed people running their own business, company directors, and volunteers / voluntary workers, and workers younger than school leaving age. The full list is available at <https://www.gov.uk/national-minimum-wage/who-gets-the-minimum-wage>.



**Table 2.1 National Minimum Wage Rates (hourly)**

	Apprentices (16-18 or in first year)	Under 18	18-20	21-24 <sup>3</sup>	25 and over <sup>4</sup>
<b>From 1 October 2015 to 30 September 2016 (the rate in effect at time of survey fieldwork)</b>	<b>£3.30</b>	<b>£3.87</b>	<b>£5.30</b>	<b>£6.70</b>	<b>£7.20</b>
From 1 October 2014 to 30 September 2015	£2.73	£3.79	£5.13	£6.50	n/a
From 1 October 2013 to 30 September 2014	£2.68	£3.72	£5.03	£6.31	n/a

5. At the time the study was conducted, apprentices in their first year of study or aged 16 to 18 were entitled to a minimum £3.30 an hour, apprentices aged 18 to 20 in their second or later year of their Apprenticeship were entitled to £5.30 an hour, those aged 21-24 or in their second or later year were entitled to £6.70 an hour and those aged 25 and over were entitled to £7.20 an hour.

## Research Objectives

6. The main objective of this research was to provide an accurate and up-to-date picture of the pay of apprentices across Great Britain, and within England, Scotland and Wales, in order to assist with development and monitoring of Apprenticeship and National Minimum Wage (NMW) / National Living Wage (NLW) policy. For example, evidence from the Apprenticeship Pay Survey contributes to the Low Pay Commission's recommendations to Government for the Apprenticeship minimum wage rate.
7. More specifically, the research objectives were to investigate:
- The wages employers are paying apprentices.
  - The number of hours apprentices spend working and undertaking training, in order to establish their hourly wage rates.
  - The range of wage rates and differences by type of apprentice, for example by gender, age, framework, ethnicity, disability, level, number of years since starting the programme and prior employment status.

<sup>3</sup> Rate applies to those aged 21-24 from 1st April 2016 onwards; prior to April 2016, this rate applied to all aged 21 and over

<sup>4</sup> Rate applies to those aged 25+ from 1<sup>st</sup> April 2016 onwards; prior to April 2016, those aged 25+ were eligible for the rate of £6.70

- The extent to which hourly wage rates are compliant with NMW / NLW minimum hourly rates.

## Methodology

8. The survey comprised a large scale survey of 9,422 apprentices, conducted by telephone from 9 June 2016 to 25 July 2016. Respondents had to be on provision (i.e. current apprentices) at the time of the interview.

## The questionnaire

9. In order to ensure maximum comparability with the 2014 study, the questionnaire was kept largely the same as in 2014. However, some changes were required in order to take into account new NMW rates and the introduction of the National Living Wage, and new questions were added to measure the amount of formal training received by apprentices in an average week, and to measure awareness of the new NLW. A pilot was conducted in order to test these changes to the questionnaire. The pilot involved 31 interviews with apprentices: 10 with Level 2 and Level 3 apprentices (across five grouped frameworks) and 21 among Level 4 and Level 5 apprentices.
10. The final questionnaire used for the survey is appended. As in 2014, a number of features were included to increase the accuracy of the final pay figures:
  - Respondents were encouraged to answer with a recent payslip to hand in order to ensure accuracy of response. Overall 3,467 (37 per cent) answered with a payslip.
  - If apprentices did not answer with a payslip (or if their answers did not allow an hourly pay figure to be calculated, for example because of 'don't know' responses), then they were asked about their pay and hours for the last full working week. They were asked if the pay and hours of this last full working week were typical and if not they were asked about a typical week. The latter was then used for calculating hourly pay.
  - Respondents were encouraged to answer pay questions in gross rather than net (take home) terms, though they were offered the opportunity to answer either way. Responses answered in net terms were converted to gross for the analysis, as the National Minimum Wage is based on gross pay. The conversion calculation is provided the Appendix in the section 'Net to Gross Pay Conversion Calculation'.
  - Respondents were offered the opportunity to answer about their pay for a frequency of their preference, from hourly to annual. At the analysis stage, pay was converted to an hourly figure to assess whether their pay met the National Minimum Wage / National Living Wage. The method for this conversion is detailed in the Appendix section entitled 'Gross Hourly Pay Conversion'.

## Sampling and weighting

11. Three different national sample frames were used: the Individualised Learner Record (ILR) in England; Scotland's Corporate Training System; and the Lifelong Learning Wales Record.
12. The sample for the main stage was structured to achieve a desired profile of interviews across Great Britain to enable analysis by country, broad framework and level. By level within country, the aim was to achieve:
  - In England: 5,750 interviews with Level 2 / Level 3 apprentices, 600 with Level 4 / Level 5 apprentices and 150 with Trailblazers
  - In Scotland 2,050 interviews with Level 2 / Level 3 apprentices and 200 with Level 4 / Level 5 apprentices
  - In Wales: 2,050 interviews with Level 2 / Level 3 apprentices and 200 with Level 4 / Level 5 apprentices
13. Within these overall targets, targets were set by level within framework for each country, as follows:
  - For Level 2 and Level 3 apprentices 12 broad frameworks were used: Business Administration; Children's Learning and Development and Well Being; Construction; Customer Service; Electrotechnical; Engineering; Hairdressing; Health and Social Care; Hospitality and Catering; Management; Retail; and Other.
  - For Level 4 and Level 5 apprentices, four framework groupings were used: Accounting; Business and Administration; Care Leadership and Management and Management; and Other. Trailblazers were sampled as a single group and not split by level.
14. The targets were set to over-represent smaller frameworks (those with a lower number of apprentices) in relation to the proportion of the overall apprentice population they represented in order to ensure sufficient base sizes at the analysis stage, while still undertaking more interviews within larger frameworks. Targets for certain frameworks were manually reduced or boosted to bring framework targets closer in line with 2014, and to allow targets to be boosted in certain frameworks where average pay levels have historically been clustered around the Apprentice Rate. The Appendix provides further detail on how sample targets were set (in the 'Sampling' section).
15. To achieve the desired number of interviews, broadly, a 3:1 sample to target ratio was set for each cell. However, rather than a 'blanket' 3:1 ratio being applied, the conversion rates (interviews achieved as a proportion of sample drawn) experienced in 2014 were used to inform the ratios in order to maximise efficiency when drawing sample.

16. Before being contacted all respondents were sent a letter introducing the research and requesting participation. A copy of the letter is appended (note in Wales respondents were sent the letter in both English and Welsh and they were also able to complete the survey in either language).
17. At the analysis stage the data was weighted to ensure it was representative of the population of apprentices within each country of Great Britain by framework and level, as well as by age, gender and year of Apprenticeship. Further information about the weighting process is included in the Appendix.
18. Full details of the survey method can be found in the separate Technical Report.

## Comparisons with previous Apprenticeship Pay Surveys

19. Within this report we make comparisons with the 2014 Apprenticeship Pay survey. The Apprenticeship Pay Survey 2014<sup>5</sup> involved 9,367 interviews covering England (5,481 interviews), Wales (1,724 interviews) and Scotland (2,162 interviews). Fieldwork was undertaken from 22 July 2014 – 14 September 2014.
20. It is also worth noting that the questionnaire used in the 2014 survey was substantially re-designed from that used in the 2011 and 2012. For these reasons caution is needed when making comparisons between the 2016 and 2014 surveys, and the earlier Apprenticeship Pay Surveys.

## Key variables used in this report

21. In the following discussion of the pay and earnings variables used in the report, it is worth noting that all pay and earnings figures are reported in gross rather than net terms. Respondents that answered in net ('take home') terms had their responses converted to equivalent gross figures (how this was done is discussed in Appendix B in the section entitled 'Net to Gross Pay Conversion Calculation').

### Basic gross hourly pay

22. This is calculated from dividing weekly pay excluding overtime, tips and bonuses by weekly hours spent working and training but excluding paid or unpaid overtime.

### Gross hourly pay for calculating NMW / NLW compliance

23. To determine whether hourly pay is compliant with NMW / NLW or not a rate needs to be calculated which takes into account:
  - Pay excluding any hours paid at a higher rate, tips and bonuses. (Note that although bonuses can count towards the NMW / NLW, this only applies to the pay period in which they are paid, and in some cases a proportion can apply to the previous pay period. As the apprentice's pay should be compliant across all pay

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<sup>5</sup> [www.gov.uk/government/publications/apprenticeship-pay-survey-2012](http://www.gov.uk/government/publications/apprenticeship-pay-survey-2012)

periods, including those in which bonuses have not been paid, we have not included bonus payments in the pay to calculate NMW / NLW compliance.)

- Hours that apprentices work and train, including unpaid overtime and overtime paid at the standard rate (overtime paid at a higher rate is excluded)
- Accommodation provision and charges.

24. If respondents were unsure of their exact pay or hours then we were not able to calculate a gross hourly pay figure. Overall, we were able to calculate an hourly pay figure for calculating compliance with the NMW / NLW for 8,950 respondents (95 per cent of all respondents).
25. The hourly pay figure calculated in this way has been used to determine compliance or not with the NMW / NLW, but the actual pay rate has not been shown other than in Figures 3.13, 3.14, 3.15 and 3.16 which show pay levels of those paid below the NMW / NLW.

#### Compliance / Non-compliance with NMW / NLW

26. Cases where the information supplied by the apprentice indicates that they are not being paid the NMW / NLW are described in this report as non-compliant. From the survey responses of some apprentices it was not possible to determine if their pay was compliant or not, typically those answering 'don't know' to questions covering their pay or hours, and hence for whom an hourly pay figure could not be calculated.
27. As a result of 'don't know' responses, it was not possible to calculate an exact gross hourly pay figure for all apprentices<sup>6</sup>. However, among those where a gross hourly pay figure could not be calculated, compliance or non-compliance with the NMW / NLW was determined for cases where:
- An individual gave a range answer on pay or hours, calculating compliance using each end of the range they gave resulted in either compliance or non-compliance;
  - If someone said they were definitely above or definitely below the relevant NMW for their age / year of Apprenticeship they were included as compliant or not;
  - If someone knew their hourly pay rate then this answer was used to calculate if their pay was compliant or not.
28. Throughout the report, the proportion of apprentices described as receiving compliant or non-compliant pay has been based on those for whom compliance is known one way or the other, hence excluding those where it was not possible to determine compliance.

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<sup>6</sup> Of those for whom it was possible to assess whether their pay was compliant or not, for 94 per cent (unweighted) it was possible to calculate an exact gross hourly pay figure.

29. The relevant NMW / NLW rate for apprentices depends on their age and whether they are in the first year of their Apprenticeship or not. Where a respondent was answering using a payslip, the relevant NMW / NLW figure used the age and year of Apprenticeship *at the time period of the payslip*, not their age / year of Apprenticeship at the time of the survey.
30. Pay could appear compliant or non-compliant due to reporting error – for example, apprentices might round their pay up or down, or misremember the number of hours they worked, leading to an erroneous gross hourly pay figure. Among those with calculated pay, over two-fifths (43 per cent) were calculated as being paid within 10 per cent of the NMW / NLW rate that applied to them; in these cases, relatively small errors in measurement could have led to their pay appearing non-compliant.

Apprentices were asked to have a pay slip to hand when answering, overall this applied in just under two-fifths (37 per cent) of cases; where a pay slip was not available apprentices gave hours based on the previous week worked, or a typical week, and pay (either gross or net) covering a time period of the respondent's choice (e.g. weekly, monthly or annual). Evidence from other pay surveys suggests respondents are likely to overestimate hours, underestimate earnings and round numbers up or down, rather than give completely accurate figures. Given the very precise numbers in this report, small errors can substantially impact on derived pay rates. For example, a first year apprentice working 40 hours per week at £3.30 per hour will earn £132.00, but they may report this as 40 hours per week for £130. This produces a derived hourly pay rate of £3.25, which is non-compliant by two per cent.

31. Based on self-reported hourly pay figures only (that is, where the apprentice stated that they knew their hourly pay figure<sup>7</sup>), the level of non-compliance was significantly lower, meaning that a number of apprentices whose pay was *calculated* as non-compliant gave a stated hourly rate that was compliant with the appropriate NMW / NLW. This discrepancy could arise for several reasons: apprentices being misinformed about their hourly rate; apprentices failing to factor in elements such as overtime or accommodation; and measurement errors as described above.
32. Non-compliance may not necessarily be 'malicious' on the part of the employer. It can arise, for example, from an apprentice voluntarily undertaking unpaid overtime or from undertaking long hours of training in their own time. Hence an apprentice's pay may be compliant (at or above the NMW / NLW) for the hours for which they are paid, but when voluntary unpaid hours are taken into account the hourly rate falls below the NMW / NLW.
33. Reducing non-compliance with the NMW / NLW is a priority for the Government. There are campaigns in place to increase awareness, for example in England the Apprentices Minister writes to all new apprentices informing them of their NMW / NLW entitlement. There are resources dedicated to dealing with cases of underpayment, notably the Acas Helpline. More information about the action being taking to reduce levels of non-compliance can be found on the gov.uk website.

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<sup>7</sup> Three-fifths (60 per cent) of Level 2 and Level 3 apprentices in England were able to state their hourly pay (an unweighted base of 2,948).

## Total weekly earnings

34. As well as calculating hourly pay, a figure has also been calculated for total weekly earnings. In addition to 'basic pay' this includes tips, bonuses and overtime.

## The profile of apprentices

35. The demographic profile of apprentices is shown in Table 2.2. These are based on weighted survey data – weighting was undertaken by level within framework, age, gender and year of the Apprenticeship. Most Level 2/3 apprentices were aged over 20 (63 per cent), with around one in six aged under 19 (16 per cent). Level 4/5 apprentices had an older profile, and just over three-quarters were aged 25 plus (77 per cent). Level 2/3 apprentices were evenly split by gender, while a majority of Level 4/5 apprentices were women (61 per cent).



**Table 2.2 Demographic profile of apprentices**

	<b>Level 2/3</b>	<b>Level 4/5</b>	<b>Trailblazers</b>
<i>Base: all</i>	8,308	930	184
	%	%	%
<b>Age</b>			
16-18	16	1	17
19-20	21	7	42
21-24	22	15	26
25+	41	77	15
<b>Gender</b>			
Male	53	39	82
Female	47	61	18
<b>Ethnicity</b>			
White	90	87	84
Asian / Asian British	3	2	5
Black / Black British	1	2	1
Mixed	4	5	5
Other	2	3	4
<b>Country</b>			
England	91	60	100
Scotland	6	20	n/a
Wales	4	20	n/a

36. Table 2.3 shows the profile of Level 2 / Level 3 apprentices by framework. The most common frameworks being undertaken were Health and Social Care and Sport (21 per cent) and Engineering, Manufacturing technologies (19 per cent). Just under half of Level 2/3 apprentices were undertaking Level 2 Apprenticeships (48 per cent). This varied widely by framework, from less than 0.5 per cent in Electrotechnical to 80 per cent in Retail undertaking their Apprenticeship at Level 2.
37. Over two-thirds of Level 2/3 apprentices were in their first year of the Apprenticeship (68 per cent). Again this varied by framework, from three in ten in Electrotechnical to around eight in ten for Business and related, Customer Service, Hospitality and Catering and Retail.



38. Table 2.3 also shows how the proportion of young apprentices aged 16-18 varies by framework. The Construction and particularly the Hairdressing frameworks had a particularly young profile (with 26 and 46 per cent respectively aged under 19).
39. Although overall there was a roughly even gender split (47 per cent of Level 2 and Level 3 apprentices were female), this varied widely by framework, with the proportion of female apprentices much higher in Children's Learning and Development and Well Being (93 per cent) and Hairdressing (84 per cent), and much lower in Electrotechnical, Engineering and Manufacturing technologies and Construction (each six per cent or less).

**Table 2.3 Framework details (Level 2 and Level 3 apprentices)**

	Column %	Row %				
	%		Level 2	1st Year of the Apprenticeship	Aged 16-18	Female
GB	100	%	45	68	16	47
Business and related	12	%	56	81	19	65
Children's Care <sup>8</sup>	5	%	42	74	20	93
Construction	7	%	62	50	25	3
Customer Service	5	%	75	79	11	58
Electrotechnical	3	%	*	28	20	*
Engineering, Manufacturing technologies	19	%	52	52	22	6
Hairdressing	4	%	69	65	44	84
Health and Social Care and Sport	21	%	50	74	6	76
Hospitality and Catering	6	%	70	79	10	57
Management	7	%	54	74	*	54
Retail	7	%	80	78	11	40
Other Level 2/3	7	%	37	75	20	41

*Base: All GB Level 2 and Level 3 apprentices (8,308)*

*'\*' refers to a figure of less than 0.5 per cent but more than 0.*

<sup>8</sup> 'Children's Care' has been used in the report as an abbreviation for the full framework title of 'Children's Care, Learning and Development and Well Being'

40. Most of the Level 4/5 apprentices were undertaking Care Leadership and Management framework (68 per cent), with the remainder on Business and Administration (8%), Accountancy (7 per cent) or other frameworks (17 per cent). Most were on Level 5 provision (59 per cent), though this varied widely from less than 0.5 per cent in Accountancy and Business and Administration to 82 per cent in Care Leadership and Management. Most were on the first year of their Apprenticeship (64 per cent), which was consistent across all frameworks.
41. Among Level 2/3 apprentices, over one in five (21 per cent) were receiving benefits or tax credits. This was much higher among women (35 per cent compared with 10 per cent of men) and those aged 25 plus (58 per cent). Child tax credit (seven per cent of all Level 2/3 apprentices), Working tax credit (six per cent) and Housing benefit (three per cent) were by far the most common benefits / tax credits being received. Among level 4/5 apprentices, a higher proportion (24 per cent) were receiving benefits or tax credits, and this was again higher among women (33 per cent, compared with 13 per cent of men), and those aged 25 plus (35 per cent). Most were receiving either Child tax credit (nine per cent of all Level 4/5 apprentices) or Working tax credit (five per cent).

## About this report

42. The findings in this report have been structured into five separate chapters:
- Chapter 3 examines results across Great Britain covering those undertaking Level 2 or Level 3 apprenticeships
  - Chapter 4 examines results for individuals in Great Britain undertaking intermediate and advanced apprenticeships at Level 4 or 5.
  - Findings for Level 2 and 3 apprentices in England, Scotland and Wales, and apprentices on the new Standards in England, can be found in individual nation reports.

## Report Interpretation

43. Throughout the report results have not been shown on tables and charts if the unweighted base size is less than 30. Where this is the case, a double asterisk (\*\*) has been used in place of the data.
44. Where a single asterisk (\*) has been used in the tables, it symbolises a percentage value greater than zero but less than 0.5 per cent. A zero percentage value is denoted by '-' in the tables.
45. Where we discuss statistical significance this is at the 95 per cent confidence level.
46. All figures on tables and charts are based on weighted findings from the 2016 Apprenticeship Pay Survey, unless otherwise stated.

47. Throughout the report, comparisons have been made between various demographic groups (age, gender etc.) as well as by factors relating to the Apprenticeship (framework, year of Apprenticeship, level etc.). Care should be taken when interpreting findings since differences may not be driven by demographic factors but may instead be explained by other underlying factors. For example, differences in total weekly earnings by gender could be related to the proportion of males and females working in higher or lower paid frameworks or by differences in working patterns (e.g. number of hours worked a week).

### 3. Pay levels of Level 2 and Level 3 apprentices in Great Britain

#### Key facts and summary

1. Just under two-thirds of Level 2 and 3 apprentices (63 per cent) had already been working for their employer when they started their apprenticeship, down from 67 per cent in 2014. This was higher in Wales (71 per cent) and much lower than average in Scotland (55 per cent).
2. Most Level 2 and 3 apprentices were employed on a permanent basis (75 per cent). Eleven per cent were employed just for the duration of their apprenticeship, rising to approaching a quarter of those aged 16-18 (24 per cent).
3. Apprentices worked and trained a mean average of 40.5 hours a week in total (median 40 hours). In Electrotechnical, Construction, Engineering and Management apprentices worked more hours than average (means of 42-45 hours a week). In all other frameworks the mean average was in the 38-40 hours a week range.
4. Just over two-fifths (43 per cent) of Level 2 and Level 3 apprentices in Great Britain stated that they received on average at least one day per week of formal training. This varied widely by framework, with this level of training most likely among Hairdressing apprentices (75 per cent) and least likely among Management (19 per cent).
5. Among Level 2 and Level 3 apprentices in Great Britain, the median basic pay was £6.70 an hour, and the mean £6.98, higher than in 2014 (median: £6.31, mean: £6.79).

**Table 3.1 Mean and Median Basic Pay by Country**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
		£	£
Great Britain	7,378	£6.98	£6.70
England	4,357	£6.99	£6.70
Scotland	1,411	£7.04	£6.66
Wales	1,610	£6.72	£6.63

*Base: these results are based on those for whom it was possible from their survey responses to calculate a basic hourly pay figure*

6. As found in previous Apprenticeship Pay Surveys, those in Hairdressing had the lowest basic hourly pay (a median of £3.47) and those on a Management framework the highest (a median of £8.75).
7. Across GB over two-fifths (44 per cent) of apprentices said their hourly rate had increased during their apprenticeship, up from just over a third (35 per cent) in 2014. This was higher in Scotland (60 per cent). It was also higher among those that had been on their course longer than a year (65 per cent).
8. Taking overtime, tips and bonuses into account, the mean average total weekly earnings was £282 (median £262). Again this varied widely by framework, with earnings highest among Management (a mean of £411 a week) and lowest among those on the Hairdressing framework (£173). Basic pay accounted for 94 per cent of total earnings, and overtime five per cent (the remainder is accounted for by tips and bonuses).
9. Results indicate that (among apprentices where the necessary pay details had been provided) 18 per cent of all Level 2 and Level 3 apprentices were paid below the NMW / NLW. Non-compliant pay was more common among apprentices in Hairdressing (46 per cent), Children's Care (27 per cent), Other frameworks (27 per cent) and Construction (25 per cent). In comparison, just seven per cent of Level 2 and Level 3 Management apprentices for whom compliance could be calculated were paid below the NMW / NLW.
10. High levels of non-compliance with the NMW were found among the following groups: those employed for the duration of the apprenticeship only (31 per cent), those that had been on the course for more than a year (31 per cent), those aged 16-18 (29 per cent) and those that had not worked for their employer before they started their apprenticeship (25 per cent). Those who stated that they received at least one day a week of formal training on average were also more likely to receive non-compliant pay (23 per cent).
11. Although the vast majority (95 per cent) of apprentices had heard of the National Minimum Wage, just under three-quarters (72 per cent) had heard of the National Living Wage, and two-thirds were aware that there is a National Minimum Wage rate for certain apprentices (66 per cent), fewer than three in ten (28 per cent) knew or claimed to know the actual minimum hourly rate for apprentices (note, they were not asked to state what the rate was).

## Routes into Apprenticeships

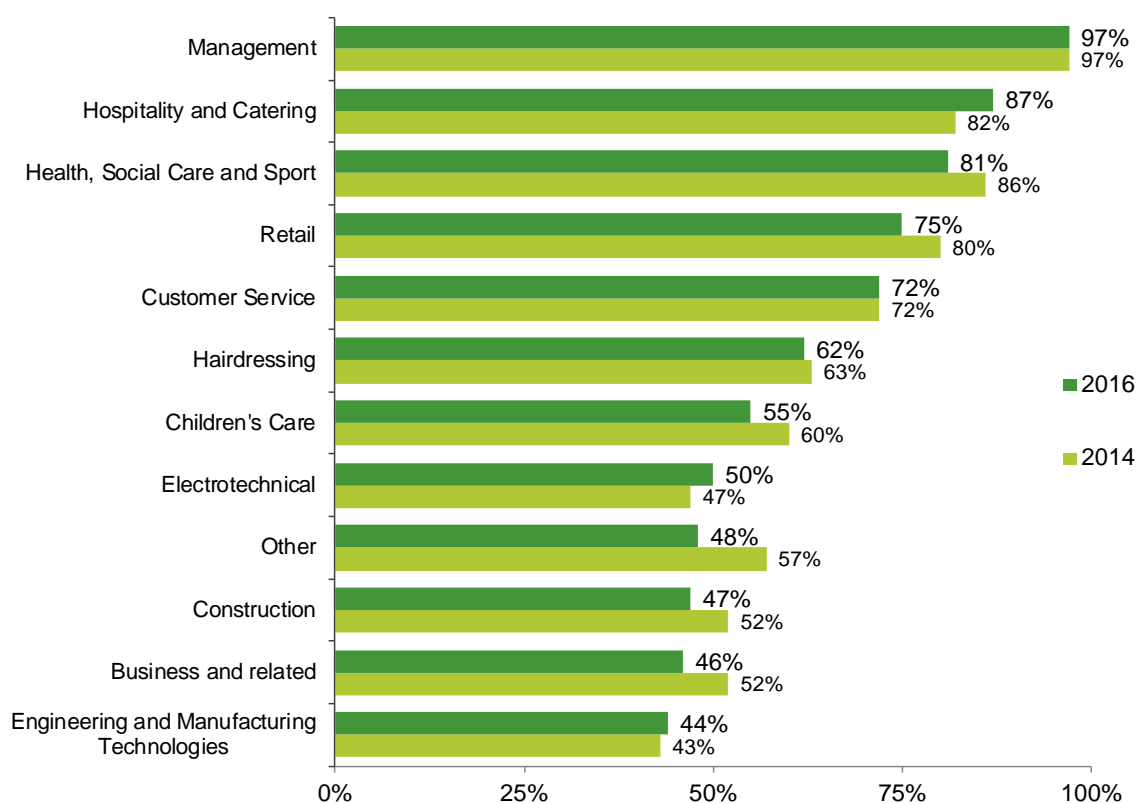
12. Two-thirds of Level 2 and 3 apprentices (63 per cent) had already been working for their employer when they started their apprenticeship (it is not known however, how long the apprentice had been employed before the apprenticeship formally started). This is lower than found in the 2014 Apprenticeship Pay Survey (67 per cent), which could indicate that employers are now more likely to recruit new workers onto Apprenticeships.

13. The 2016 Apprenticeships Evaluation Survey commissioned by BIS<sup>9</sup> (covering England only) asked questions focussing on whether or not apprentices were recruited specifically for their apprenticeship. Overall half (51 per cent) of Level 2 and Level 3 apprentices were existing employees. This is a considerably lower proportion than the two-thirds of apprentices already working for their employer according to the Apprenticeship Pay survey; however, a further 14 per cent in the 2016 Apprenticeships Evaluation Survey indicated that they were recruited specifically for an apprenticeship, but did not start their training straight away (for example, if they had to undertake a trial period). Apprentices recruited in this circumstance may well have stated that they 'had already been working for their employer when they started the courses or training' when presented with a simple yes / no option (unlike the more nuanced approach taken in the Apprenticeship Evaluation), which would inflate the proportion counted as 'existing employees'.
14. The 2016 Apprenticeship Pay Survey results varied by country, with apprentices based in Wales more likely to have been existing staff (71 per cent) than those in England (64 per cent) and Scotland (55 per cent).
15. There were noticeable differences across framework in terms of whether apprentices were working for their employer prior to beginning their training (see Figure 3.1). As in 2014, the frameworks with the highest proportions of those already working for their employer were Management (97 per cent), Hospitality and Catering (87 per cent), Health, Social Care and Sport (81 per cent), Retail (75 per cent) and Customer Service (72 per cent).
16. There were some changes by framework since 2014: Hospitality and Catering apprentices were more likely to have already been working for their employer in 2016 (87 per cent) than in 2014 (82 per cent); conversely, in 2016 smaller proportions of apprentices in Health, Social Care and Sport (81 per cent) and Retail (75 per cent) had worked for their employer before starting their apprenticeship than in 2014 (86 per cent and 80 per cent respectively).
17. Similar to the 2014 survey, results showed that the likelihood of apprentices working for their employer prior to enrolment increased with age. Less than two-fifths of 16-18 year olds (38 per cent) and 19-20 year olds (35 per cent) worked for their employer before starting their apprenticeship. This increased to three-fifths (60 per cent) of 21-24 year olds and 90 per cent of those aged 25 or older. In line with 2014 results, female apprentices were also more likely to have already been working for their employer (72 per cent, compared with 55 per cent of men).

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<sup>9</sup> Now BEIS

**Figure 3.1 Proportion of Level 2 and Level 3 apprentices in GB working for their employer prior to starting their apprenticeship, by framework**



Base: All GB Level 2 and Level 3 apprentices: 2014 (8,526); 2016 (8,308)

## Working arrangements and number of hours contracted to work

### Contractual and employment arrangements

18. The vast majority (91 per cent) of Level 2 and Level 3 apprentices in Great Britain reported that they had a written contract with their employer. Seven per cent had no written contract, and two per cent were unsure. These results were all in line with 2014.
19. In most cases written contracts covered the full year (87 per cent of all Level 2 and Level 3 apprentices). Of apprentices contracted to work only part of the year, one per cent were contracted to work fewer than 12 weeks a year, 11 per cent were contracted for between 12 and 26 weeks, 30 per cent for between 27 and 39 weeks, and 16 per cent for between 40 and 51 weeks; the remainder were unsure of the number of weeks they were contracted to work.
20. Three-quarters (75 per cent) of apprentices had a permanent job with their employer with no fixed end date, in line with 2014 (76 per cent).

21. Employment arrangements and contractual status varied by framework and age, as shown in Table 3.2. As in 2014, written contracts were least common for apprentices in Hairdressing (76 per cent) and Construction (84 per cent). Hairdressing apprentices were also least likely to be employed on a permanent basis (61 per cent).
22. Those who worked for their employer prior to starting their course or training were more likely to have a written contract (92 per cent) than those who were not already working for their employer (90 per cent). However, there was no clear relationship within frameworks between the proportion previously employed and the proportion with a written contract.
23. Likelihood to have a written contract increased with age, from 86 per cent of those aged 16-18 to 93 per cent of those aged 25 and over. Similarly, older apprentices were more likely to be employed on a permanent basis: ranging from half (51 per cent) of those aged 16-18 to over nine in ten (92 per cent) of those aged 25 or older. These results show the same patterns as the 2014 survey.

**Table 3.2 Written contracts and employment arrangements by framework and age of GB Level 2 and Level 3 apprentices**

			Written contract		Employment arrangement <sup>10</sup>			
Row percentages	Base		Yes	No	Permanent	Training period only	Fixed end after completion	Previously employed
Framework								
Business and related	819	%	95	4	64	19	9	46
Management	613	%	95	3	96	1	1	97
Health, Social Care and Sport	1,149	%	93	6	84	6	3	81
Retail	630	%	93	6	80	8	5	75
Customer Service	460	%	92	6	79	8	5	72
Children's Care	436	%	91	8	63	18	5	55
Engineering andManufacturing Technologies	1,360	%	91	7	69	13	8	44
Other 2/3	363	%	91	5	64	20	7	48

<sup>10</sup> This question was asked of all apprentices, irrespective of whether or not they had a written contract.



			<b>Written contract</b>		<b>Employment arrangement<sup>10</sup></b>			
<i>Row percentages</i>	<i>Base</i>		<b>Yes</b>	<b>No</b>	<b>Permanent</b>	<b>Training period only</b>	<b>Fixed end after completion</b>	<b>Previously employed</b>
Hospitality and Catering	542	%	88	10	87	4	3	87
Electrotechnical	492	%	86	11	72	15	5	50
Construction	920	%	84	12	69	16	6	47
Hairdressing	524	%	76	19	61	15	7	62
<b>Age</b>								
16-18	1,943	%	86	10	51	24	10	38
19-20	2,284	%	90	7	60	19	9	35
21-24	1,877	%	92	6	76	11	6	60
25+	2,204	%	93	6	92	2	2	90
Total	8,308	%	91	7	75	11	5	63

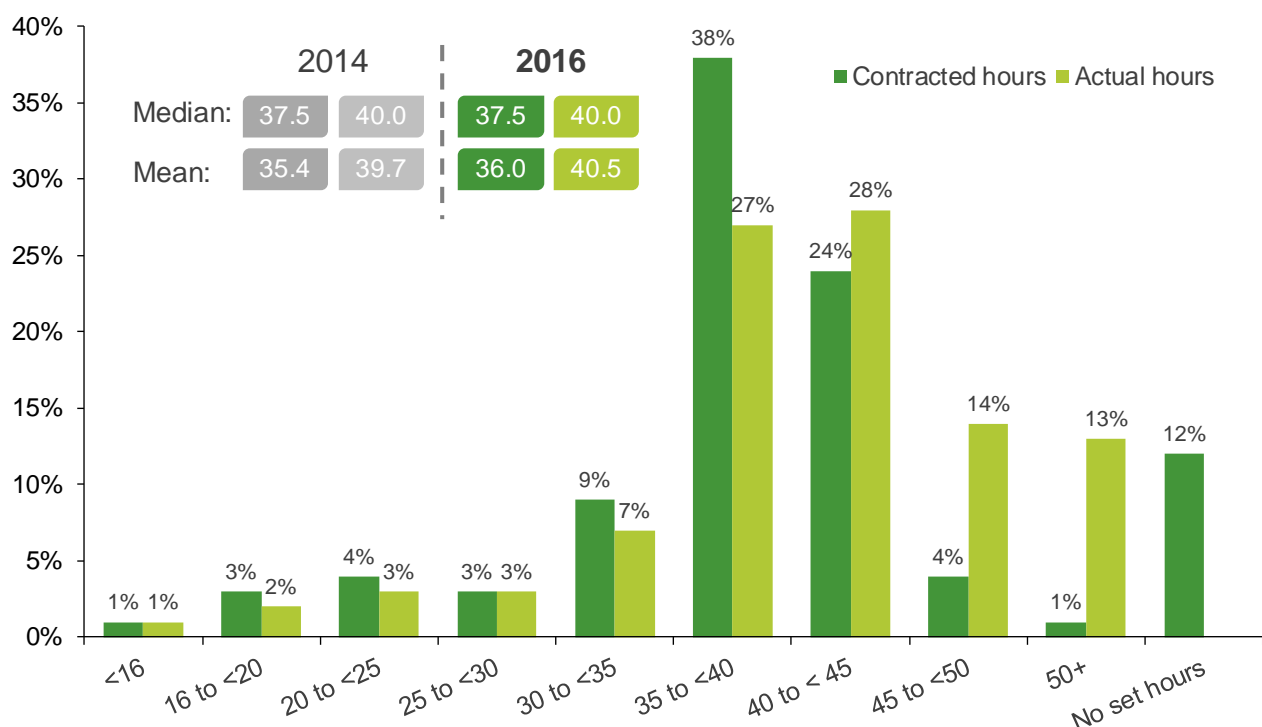
*Base: All GB Level 2 and Level 3 apprentices*

*Row percentages in each set do not sum to 100% due to exclusion of 'Other' and 'Don't know' responses.*

## Contracted hours versus the number of hours worked

24. The vast majority (86 per cent) of Level 2 and Level 3 apprentices worked a set number of hours each week, as was the case in 2014. As shown in Figure 3.2, this was most often 35 to 39 hours a week (38 per cent of all Level 2 and Level 3 apprentices) or 40 to 44 hours a week (24 per cent). Apprentices had a mean average of 36.0 contracted hours a week and a median of 37.5, very close to the 2014 figures (35.4 hours and 37.5 hours respectively).
25. Apprenticeship funding rules state that apprentices must be employed for at least 30 hours a week, or, in exceptional circumstances (for example due to personal situations), apprentices may work part-time for between 16 and 29 hours a week. Overall, one per cent of apprentices in 2016 reported contracted hours of between one and 15 hours a week (down from two per cent in 2014). This was more common among apprentices in Children's Learning and Development and Wellbeing (four per cent) and Retail (three per cent).
26. Average contracted hours (mean: 36.0, median: 37.5) were lower than the average actual hours worked (including training) by around 3-4 hours a week on average (mean: 40.5, median: 40). Overtime hours and pay are covered later in this report.
27. Overall 13 per cent worked and trained more than 50 hours a week. Certain groups were more likely to be working and training for more than 50 hours a week:
  - Male apprentices (15 per cent, compared with 11 per cent of women);
  - Older apprentices (16 per cent of those aged 21 and over, compared with nine per cent of those aged 16 to 20);
  - Those on the Electrotechnical (22 per cent), Health, Social Care and Sport (19 per cent), Management (17 per cent) and Hospitality and Catering (16 per cent) frameworks.

**Figure 3.2 Number of hours contracted to work versus number of actual hours working and training**



Base: Contracted hours: All GB Level 2/3 apprentices (8,308);  
Actual hours: All GB Level 2/3 apprentices for whom a calculation of stated hours could be made (7,381)

28. Table 3.3 shows actual hours worked against the hours apprentices were contracted to work. In addition, the final column shows the percentage of apprentices who worked more hours than contracted. Overall, 65 per cent of apprentices with set contracted hours worked and trained a higher number of hours than they were contracted. This level was higher among those with lower contracted hours: four-fifths (79 per cent) of those contracted for less than 20 hours a week and three-quarters (74 per cent) of those contracted for between 20 and 29 hours a week worked longer actual hours than specified in their contracts.

**Table 3.3 Number of hours contracted to work versus number of actual hours working and training (GB Level 2 and Level 3)**

			Actual hours worked					
Contracted hours	Base 7,381		1-19	20-29	30-39	40-49	50+	% working longer actual hours than contracted <sup>11</sup>
1-19	258	%	38	37	14	8	3	79
20-29	402	%	3	47	36	11	3	74
30-39	3,524	%	1	2	53	35	9	64
40-49	2,146	%	1	1	8	71	20	62
50+	49	%	-	-	4	12	83	63
No set hours	1,002	%	10	10	27	35	19	n/a
Total set hours	6379	%	3	6	35	44	12	65

*Base: GB Level 2 and Level 3 apprentices for whom a calculation of actual hours could be made*

29.

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<sup>11</sup> Figures in this column have been calculated from the actual figures given for apprentices' contracted hours and their actual hours worked, rather than simply the banded ranges shown on the table

30. Table 3.4 shows the mean and median figures for both contracted and actual hours broken down by framework, and also shows the difference between average contracted and actual hours. Overall apprentices worked an average of 4.2 hours (mean) or 2.5 hours (median) over their contracted hours.

**Table 3.4 Number of hours apprentices contracted to work versus number of actual hours worked or trained (GB Level 2 and Level 3 apprentices)**

			Mean hours			Median hours		
	<i>Contracted hours base</i>	<i>Actual hours base</i>	<b>Contracted</b>	<b>Actual</b>	<b>Extent to which actual hours exceed contracted hours</b>	<b>Contracted</b>	<b>Actual</b>	<b>Extent to which actual hours exceed contracted hours</b>
Business & related	819	736	<b>36.4</b>	39.0	2.6	37.5	38.5	1.0
Children's Care	436	381	34.0	38.4	<b>4.4</b>	37.0	40.0	<b>3.0</b>
Construction and related	920	848	<b>38.8</b>	<b>42.8</b>	4.0	<b>40.0</b>	40.0	0.0
Customer Service	460	403	<b>36.5</b>	<b>40.6</b>	4.1	37.5	39.5	2.0
Electrotechnical	492	449	<b>39.1</b>	<b>45.0</b>	<b>5.9</b>	<b>40.0</b>	<b>42.5</b>	2.5
Engineering, Manufacturing Technologies and related	1,360	1,226	<b>38.7</b>	<b>42.5</b>	3.8	<b>39.0</b>	<b>41.0</b>	2.0
Hairdressing	524	466	35.4	38.3	2.9	37.5	40.0	2.5
Health, Social Care and Sport	1,149	1001	32.8	39.4	<b>6.6</b>	36.0	40.0	<b>4.0</b>
Hospitality and Catering	542	478	32.4	38.3	<b>5.9</b>	35.0	38.0	<b>3.0</b>
Management	613	514	<b>37.4</b>	<b>43.1</b>	<b>5.7</b>	<b>38.0</b>	<b>42.5</b>	<b>4.5</b>
Retail	630	559	34.3	38.8	<b>4.5</b>	37.5	40.0	2.5
Other 2/3	363	320	36.0	<b>40.9</b>	<b>4.9</b>	37.5	40.0	2.5
Total	8,308	7,381	36.0	40.2	4.2	37.5	40.0	2.5

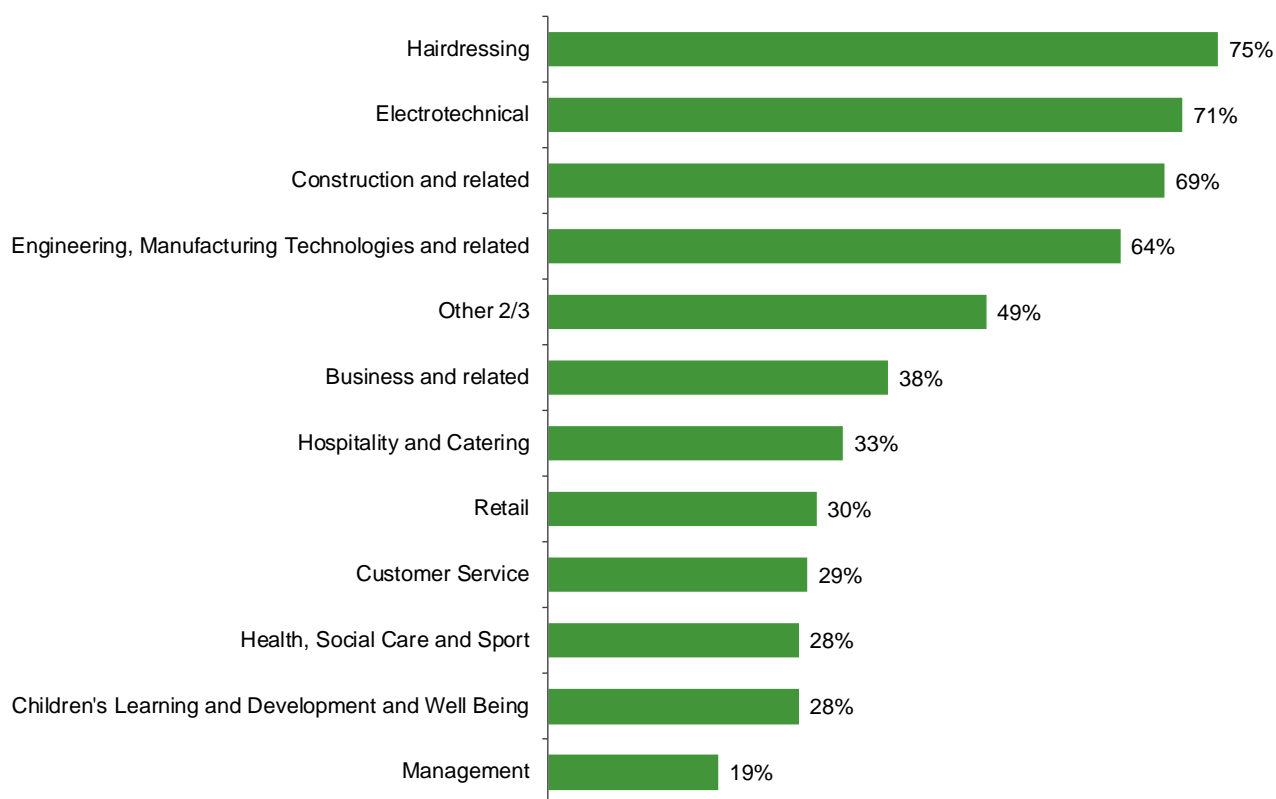
*Base for contracted hours: All GB Level 2 and Level 3 apprentices with a specified number of contracted hours. Base for actual hours: all GB Level 2 and Level 3 apprentices for whom a calculation of hours worked could be made.*

*Figures in bold denote figures that are higher than the overall average.*

## Provision of formal training

31. As part of their apprenticeship, apprentices are required to spend a minimum number of hours undertaking formal training. Although the Apprenticeship Pay Survey does not aim to separate hours spent training from hours spent working, due to interest in training levels, for the 2016 survey a question was introduced to ask apprentices if they received at least one day per week of formal training. 'One day per week' was selected as being a good approximation of the recommended amount of training, as well as being easy for apprentices to conceptualise during the telephone interview.
32. Just over two-fifths (43 per cent) of Level 2 and Level 3 apprentices in Great Britain stated that they received on average at least one day per week of formal training.
33. Receiving at least a day of formal training per week was more common among:
  - Men (52 per cent) than women (32 per cent); and
  - Younger apprentices (63 per cent of 16 to 18 year olds and 57 per cent of 19 to 20 year olds did so, compared with 45 per cent of those aged 21 to 24, and 25 per cent of those aged 25 and older). Those in the second or later year of their apprenticeship (48 per cent) compared with two-fifths (40 per cent) of those on the apprenticeship for a year or less.
34. There were considerable variations by framework, as shown in Figure 3.3. Spending at least one day per week on average in formal training was significantly more likely among apprentices in Hairdressing (75 per cent) and Electrotechnical (71 per cent), and least common among apprentices on the Management framework (19 per cent).

**Figure 3.3 Proportion receiving at least one day of formal training per week on average, by framework (GB Level 2 and Level 3)**



Base: All Level 2 & Level 3 GB apprentices (range: 363 to 1,360)

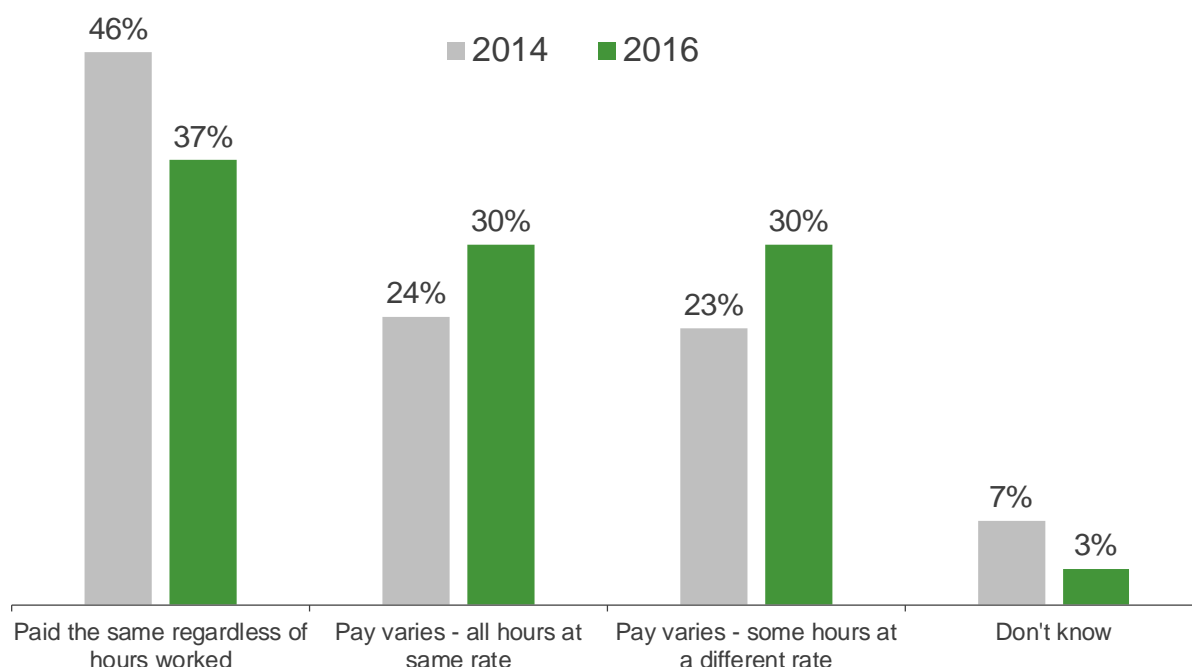


## Rates of Pay

### Pay arrangements

35. Approaching two-fifths of apprentices (37 per cent) were paid the same total amount each week regardless of the number of hours they worked. Weekly pay varied for the majority (63 per cent) of apprentices; equally split between those for whom all hours were paid at the same rate and those where some hours were paid at a different rate (each 30 per cent). As Figure 3.4 shows, fewer apprentices in 2016 had a fixed rate of pay compared with 2014 (46 per cent).

**Figure 3.4 Pay arrangements for apprentices in 2016 and 2014 (Level 2 and 3 across GB)**



Base: All GB Level 2 and 3 Apprentices: 2016: (8,308); 2014: (8,526)

This fall in 2016 compared with 2014 in the proportion paid the same amount each week regardless of the hours worked was found across all frameworks, though as

36. Table 3.5 shows, Hairdressing, Children's Care, Engineering and Manufacturing Technologies, and Customer Service frameworks saw the biggest reductions since 2014 in the proportion paid the same each week regardless of hours (each a reduction of 14-15 percentage points).

**Table 3.5 Proportion paid the same amount regardless of hours worked by framework (GB Level 2 and Level 3)**

		Paid the same regardless of hours worked		
		2014 (%)	2016 (%)	Percentage point difference
	<i>Base (2014 / 2016)</i>			
Hairdressing	534 / 524	70	55	-15
Children's Care	549 / 436	45	30	-15
Engineering and Manufacturing Technologies	1,416 / 1360	47	33	-14
Customer service	462 / 460	56	42	-14
Construction and related	1,022 / 920	48	40	-8
Business and related	927 / 819	77	69	-8
Other	480 / 363	65	57	-8
Management	450 / 613	45	37	-8
Health, Social Care and Sport	948 / 1,149	26	19	-7
Electrotechnical	611 / 492	26	19	-7
Retail	528 / 630	38	32	-6
Hospitality and Catering	599 / 542	28	24	-4
<b>GB Total</b>	<b>8,526 / 8,308</b>	<b>46</b>	<b>37</b>	<b>-9</b>

*Base: All GB Level 2 and Level 3 apprentices*

Younger apprentices aged 16-18 were more likely to be paid the same amount each week regardless of the number of hours worked (50 per cent) falling to 27 per cent of those aged 25 or older. As detailed in

37. Table 3.6, there were notable differences by framework, with the proportion of apprentices paid the same amount each week ranging from 19 per cent in the Health and Social Care and Sport and Electrotechnical frameworks, to 69 per cent in the Business and related framework.

**Table 3.6 Pay arrangements for apprentices by framework and age (Level 2 and Level 3 across GB)**

<i>Row percentages</i>	<i>Base</i>		<b>Paid the same amount, irrespective of number of hours</b>	<b>Pay varies – all hours at the same rate</b>	<b>Pay varies – some hours at different rate</b>
<b>Framework</b>					
Business and related	819	%	69	17	10
Other	363	%	57	20	21
Hairdressing	524	%	55	39	4
Customer Service	460	%	42	31	25
Construction	920	%	40	25	32
Management	613	%	37	33	27
Engineering and Manufacturing Technologies	1,360	%	33	15	51
Retail	630	%	32	36	30
Children's Care	436	%	30	58	8
Hospitality and Catering	542	%	24	55	18
Health and Social Care and Sport	1,149	%	19	41	36
Electrotechnical	492	%	19	20	60
<b>Age</b>					
16-18	2,034	%	51	26	21
19-20	2,238	%	46	26	26
21-24	1,840	%	35	27	34
25+	2,196	%	27	36	34
<b>GB Total</b>	<b>8,308</b>	<b>%</b>	<b>37</b>	<b>30</b>	<b>30</b>

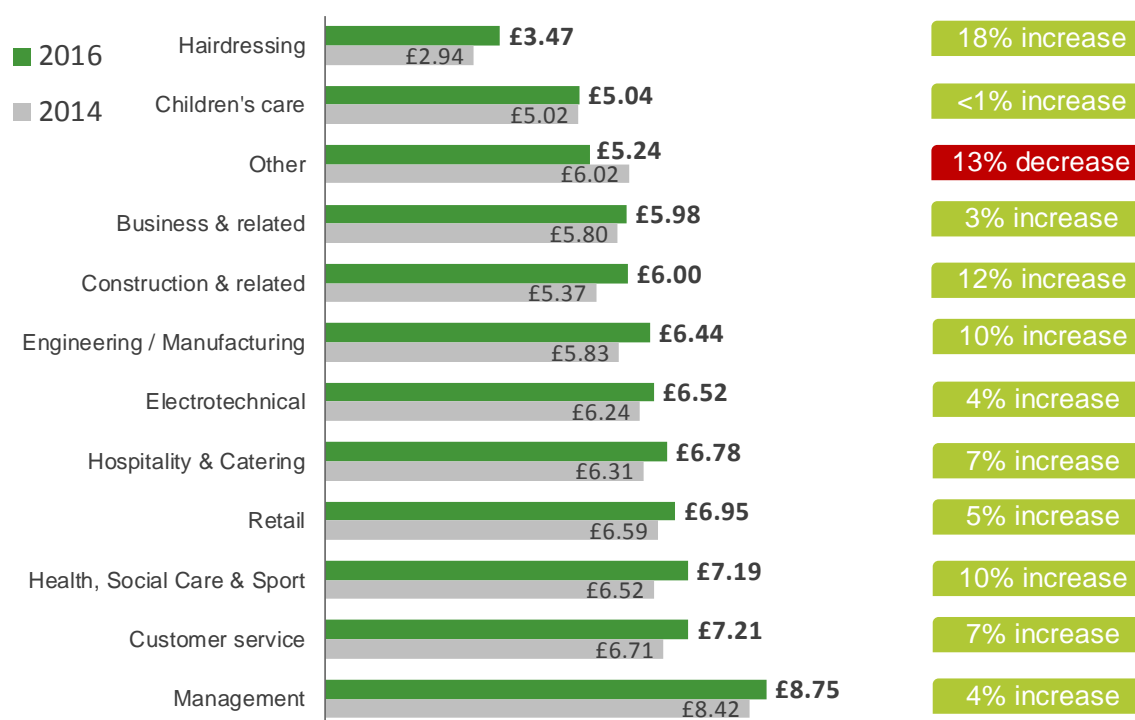
*Base: All GB L2 and L3 apprentices*

*Row percentages do not sum to 100 per cent due to exclusion of "Other" and "Don't know" responses.*

## Basic Hourly Pay levels

38. Median hourly pay was £6.70 and the mean hourly pay was £6.98. This was higher than in 2014, when the median was £6.31 and the mean hourly pay was £6.79.
39. Figure 3.5 shows median hourly pay in 2016 by framework in ascending order, and compares with the corresponding figures from 2014. Information on how this figure is calculated is discussed in Chapter 2.
40. Frameworks that paid below the average median hourly pay included Hairdressing, Children's Care, Business & related, Construction, Engineering and Manufacturing Technologies, and Electrotechnical.
41. Similar patterns were evident in 2014, when Hairdressing reported the lowest median hourly pay (although this had increased by 18 per cent since 2014, the largest increase of any framework) and Management the highest. These frameworks have been the highest and lowest paying frameworks in each of the previous Apprenticeship Pay Surveys.

**Figure 3.5 Median basic hourly pay in 2016 and 2014 (Level 2 and Level 2 apprentices across GB)**



Base: All GB Level 2/3 apprentices for whom a calculation of basic hourly pay rate was possible, by framework.  
(2014 range: 354 to 1,238; 2016 range: 320 to 1,226)

42. Table 3.7 shows mean and median basic hourly pay by key demographics. Unsurprisingly, pay increases with age, level of apprenticeship and by how long apprentices had been on their course.

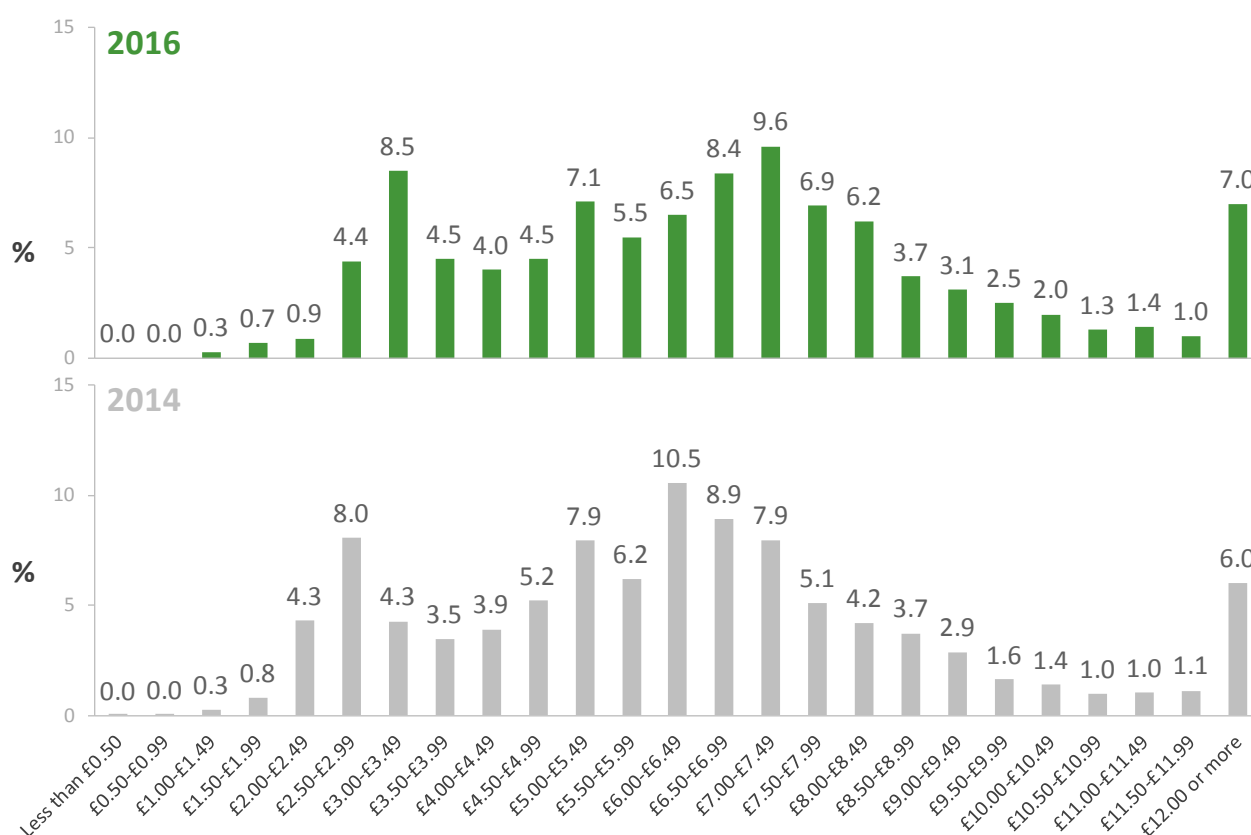
**Table 3.7 Basic hourly pay for Level 2 and Level 3 across in Great Britain**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
		£	£
<b>Level</b>			
Level 2	3,563	6.66	6.32
Level 3	3,815	7.37	7.09
<b>Gender</b>			
Male	4,106	7.10	6.60
Female	3,272	6.85	6.77
<b>Age</b>			
16-18	1,859	4.80	3.81
19-20	2,045	5.70	5.30
21-24	1,610	7.20	6.95
25+	1,864	8.53	7.64
<b>Ethnicity</b>			
White	6,890	6.97	6.67
Asian / Asian British	127	7.14	7.14
Black / Black British	52	6.88	6.99
Mixed	200	7.13	7.08
Other	101	7.15	6.72
<b>Length of time on Apprenticeship</b>			
One year or less	5,115	6.68	6.38
More than a year	2,263	7.66	7.15
<b>GB Total</b>	<b>7,378</b>	<b>£6.98</b>	<b>£6.70</b>

*Base: these results are based on those for whom it was possible from their survey responses to calculate a basic hourly pay figure.*

43. The proportions of apprentices falling within specific pay bands – alongside comparisons with 2014 – is shown in Figure 3.6. Later in this chapter we discuss pay levels for those not receiving the NMW / NLW in full (paragraphs 108 – 130).

**Figure 3.6 Distribution of basic hourly pay, 2016 and 2014 (%) (Level 2 and 3 apprentices across GB)**



Base: GB Level 2 and Level 3 apprentices: 2016: (7,378); 2014 (7,265)

44. Peaks in the distribution of pay tended to correspond with the various NMW / NLW thresholds: i.e. between £3.00-£3.49, £5.00-£5.49, £6.50-£6.99 and £7.00-£7.49. The highest peak increased from £6.00-£6.49 in 2014 to £7.00-£7.49 in 2016.
45. In comparison with 2014, the distribution of pay has shifted so that pay peaked in higher pay bands; for example, the first major peak in 2014 occurred within the £2.50-£2.99 pay band (8 per cent). In 2016, a similar peak first occurred within the £3.00-£3.49 pay band (9 per cent).
46. Seven per cent of apprentices were paid £12.00 or more per hour, higher than the proportion reporting this in 2014 (six per cent). Nevertheless, median basic pay hourly pay amongst this group (£14.87) was in line with 2014 (£14.44). Earning basic hourly pay of £12.00 or more was most common among apprentices aged over 25 (12 per cent) and undertaking an apprenticeship in Management (19 per cent). This follows the same pattern reported in 2014.



## Pay increases

47. Over two-fifths of apprentices (44 per cent) reported that their hourly pay rate had increased during their apprenticeship, higher than in 2014 (35 per cent). Increases in pay were most common among those aged 19-20 and 21-24 (53 per cent and 54 per cent respectively), compared with those aged 16-18 or 25+ (41 per cent and 34 per cent respectively).
48. Male apprentices were more likely to have received an increase in pay compared with females (50 per cent and 37 per cent respectively).
49. Likelihood to have received a pay increase also varied considerably by framework, as shown in Table 3.8.
50. Amongst those that had experienced a pay increase, 38 per cent reported that this was because they had completed the first year of their apprenticeship (equivalent to 17 per cent of all apprentices); 12 per cent because they had turned 19 (five per cent of all apprentices); eight per cent because they had turned 21 (four per cent of all apprentices); two per cent because they had turned 25 (one per cent of all apprentices); and 13 per cent because of the introduction of the National Living Wage (six per cent of all apprentices).
51. This meant that a quarter of all apprentices (25 per cent) – or 57 per cent of apprentices who had received a pay increase – had experienced a pay increase due to factors that changed their NMW band (i.e. a change in age, year of apprenticeship or introduction of the NLW). It is of course the case that some apprentices may have received a pay increase without knowing the reason(s) why.

**Table 3.8 Whether experienced any pay increases by framework and age (Level 2 and Level 3 apprentices across Great Britain)**

	<i>Proportion experiencing any pay increases</i>		<i>Median hourly pay</i>	
	<i>Base</i>	<i>%</i>	<i>Base</i>	<i>£</i>
<b>Framework</b>				
Electrotechnical	492	76	449	6.52
Engineering and Manufacturing Technologies	1,360	61	1,226	6.44
Construction	920	62	847	6.00
Hairdressing	524	48	465	3.47
Children's Care	436	43	380	5.04
Hospitality and Catering	542	42	478	6.78
Business and related	819	41	736	5.98
Retail	630	40	559	6.95
Other	363	34	320	5.24
Health and Social Care and Sport	1,149	33	1,002	7.19
Customer Service	460	29	403	7.21
Management	613	24	513	8.75
<b>Age</b>				
16-18	2,034	41	1,859	3.81
19-20	2,238	53	2,045	5.30
21-24	1,840	54	1,610	6.95
25+	2,196	34	1,864	7.64
<b>GB Total</b>	<b>8,308</b>	<b>44</b>	<b>7,378</b>	<b>6.98</b>

*Base: All GB Level 2 and Level 3 Apprentices / All GB Level 2 and Level 3 apprentices where hourly pay could be calculated*

Pay with respect to the number of hours contracted to work

52. Overall the mean basic hourly pay for apprentices with contracted hours was £7.01 and the median was £6.70. This was in line with the overall GB average (mean of £6.98 and median of £6.70). Median basic hourly pay was highest amongst apprentices who were contracted to work fewer than 16-29 hours a week (£7.04) (although the mean basic hourly pay was higher amongst those contracted to work fewer than 16 hours (£7.53)). Evidently, apprentices contracted on full-time hours

were likely to earn less than those contracted to part-time hours, as illustrated in Table 3.9:

**Table 3.9 Mean and median basic hourly rate based on contracted weekly hours (Level 2 and 3 apprentices in Great Britain with set contracted hours)**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
		£	£
Fewer than 16 hours	83	7.53	6.70
16-29 hours	577	7.37	7.04
30 hours or more	5,716	6.96	6.64
<b>GB Total</b>	<b>6,376</b>	<b>£7.01</b>	<b>£6.70</b>

*Base: All GB L2 and L3 apprentices that worked contracted hours and for whom it was possible from their survey responses to calculate a basic hourly pay figure.*

#### Premium and Overtime rates

53. Overall, three in ten (30 per cent) apprentices were paid a different rate for some of the hours they worked, higher than in 2014 (23 per cent).
54. Apprentices with variable hours and who answered the survey using a payslip were asked whether any of the total hours they worked in a week were paid at a higher rate than their standard rate. Overall, a quarter (25 per cent) were paid a higher rate for at least some of their hours. The mean higher hourly pay rate for these apprentices, where both the higher hourly rate and basic rate were calculable, was £11.85 (median: £10.67), in comparison to the mean basic hourly rate of £7.81 (median: £7.14) for this same group, a difference of £4.04 per hour. Caution should be taken when interpreting these findings due to a relatively small base size (unweighted 389).
55. Apprentices who did not answer the survey using a payslip were asked how much on average they were paid per hour for the paid overtime they had worked. This included all paid overtime, regardless of whether it was paid at their standard rate or a higher rate. A comparison between the basic rate for these apprentices and their overtime rate is detailed in Table 3.10. The table is ranked according to the degree to which overtime rates exceeded basic rates, using mean figures.
56. The mean hourly rate for paid overtime for these apprentices was £9.33 (median: £8.13). In comparison the mean basic hourly pay rate for these apprentices was £7.47 (median: £7.20). There were variations by framework, with difference between the mean standard rate and mean overtime rate amongst these apprentices highest in the Electrotechnical (£3.42) and Engineering and Manufacturing Technologies frameworks (£3.24), and lowest in the Hairdressing (£0.30) and Children's Care (£0.71) frameworks.

**Table 3.10 Hourly basic pay rate versus overtime rate of apprentices not answering with a payslip who provided paid overtime information**

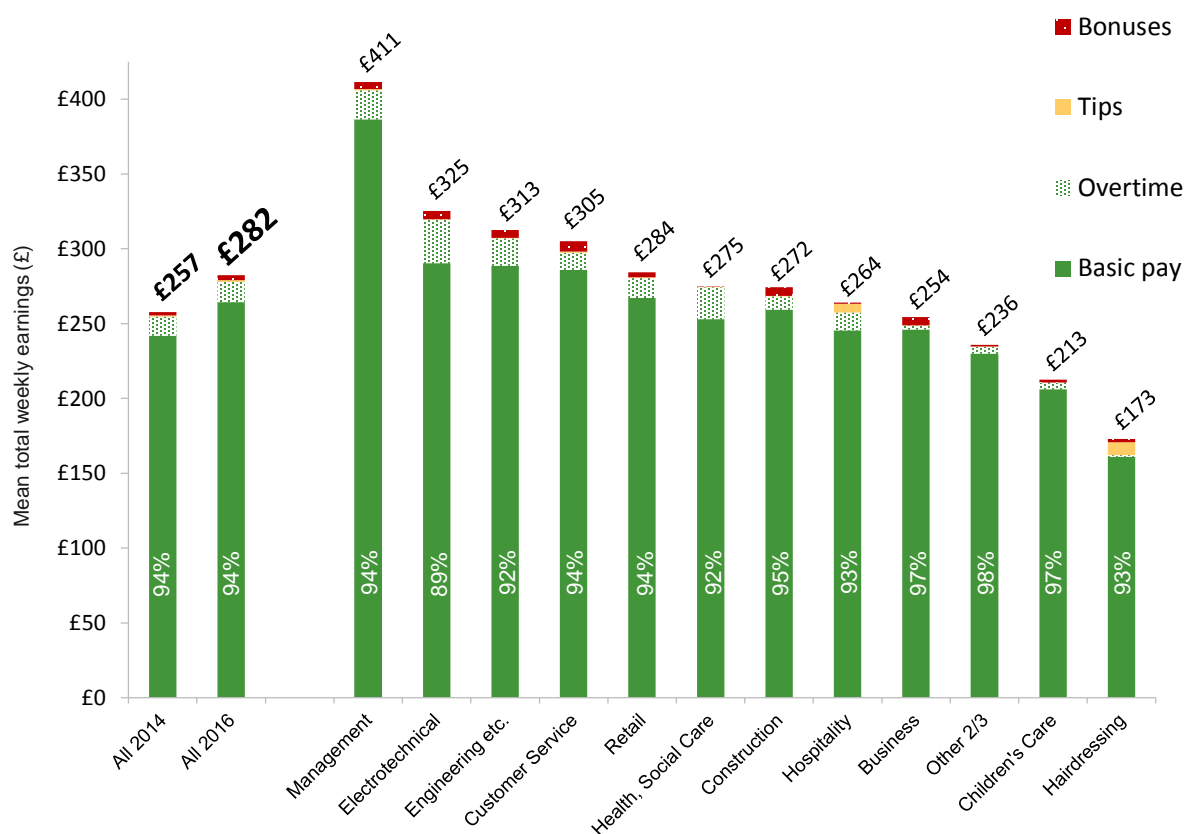
	Mean hourly pay rate				Median hourly pay rate		
	<i>Base</i>	Standard rate	Overtime / premium rate	Amount overtime rate exceeds basic	Standard rate	Overtime / premium rate	Amount overtime rate exceeds basic
Hairdressing	26	£5.41	£5.71	+£0.30	£4.32	£5.10	+£0.78
Children's Care	32	£4.94	£5.65	+£0.71	£5.04	£5.38	+£0.34
Health & Social Care & Sport	156	£7.09	£7.96	+£0.87	£6.93	£7.20	+£0.27
Retail	83	£7.87	£8.71	+£0.84	£7.23	£7.95	+£0.72
Hospitality & Catering	62	£6.53	£7.76	+£1.23	£6.93	£7.30	+£0.37
Customer Service	33	£7.81	£9.39	+£1.58	£7.61	£8.60	+£0.99
Management	71	£9.29	£11.01	+£1.72	£8.47	£9.00	+£0.53
Construction	85	£6.95	£9.37	+£2.42	£7.56	£9.00	+£1.44
Other	33	£6.43	£9.14	+£2.71	£5.35	£8.40	+£3.05
Business & related	24	£7.56	£10.47	+£2.91	£7.48	£10.00	+£2.52
Engineering & Manufacturing	163	£8.20	£11.44	+£3.24	£7.48	£10.20	+£2.72
Electrotechnical	73	£7.47	£10.89	+£3.42	£7.09	£10.05	+£2.96
<b>GB Total</b>	<b>841</b>	<b>£7.47</b>	<b>£9.33</b>	<b>+£1.86</b>	<b>£7.20</b>	<b>£8.13</b>	<b>+£0.93</b>

## Total weekly earnings

### Average total weekly earnings

57. The mean total weekly earnings for Level 2 and 3 apprentices in Great Britain was £282 (median: £263). This is an increase from 2014 when mean total weekly earnings was £257 (median: £238). This total weekly earnings figure includes basic pay, pay from overtime, tips from customers and bonuses. The figure is based on apprentices for whom a total weekly earnings figure could be calculated (7,171).
58. As shown in Figure 3.7, mean weekly earnings varied considerably by framework. Higher than average earnings were evident in the Management; Electrotechnical; Engineering and Manufacturing Technologies; and Customer Service frameworks. A complete table of these figures can be found in Appendix A.
59. Figure 3.7 also illustrates the composition of total weekly earnings by each individual component: basic pay, overtime, tips from customers and bonuses. As would be expected, basic pay constitutes the greatest proportion of total weekly earnings across all frameworks (an average of 94 per cent – the same as reported in 2014). However, there were differences by framework in terms of the other components of weekly earnings:
  - The proportion of weekly earnings from **overtime** was highest in the Electrotechnical (nine per cent); Health, Social Care and Sport (eight per cent); and Engineering Manufacturing Technologies (six per cent) frameworks, compared with an average of five per cent across all apprentices.
  - **Tips from customers** was highest in the Hairdressing (five per cent of weekly pay) and Hospitality and Catering frameworks (two per cent), compared with the average of less than 0.5 per cent across all apprentices.
  - The proportion of weekly earnings from **bonuses** was highest in the Customer Service, Business and Construction frameworks (each two per cent), compared with the average of one per cent across all apprentices.

**Figure 3.7 Mean total weekly earning of Level 2 and 3 GB apprentices split by basic pay, overtime, tips and bonuses, and the percentage of the mean total weekly earnings made up by basic pay, by framework<sup>12</sup>**



Base: All GB L2 and L3 Apprentices for whom it was possible to calculate weekly earnings: 2014 (7,055), 2016 (7,171)

### Earnings at basic pay

60. The mean weekly earnings from basic pay – i.e. earnings excluding paid overtime, tips from customers and bonuses – across all GB Level 2 and 3 apprentices was £265 (median: £250), which is an increase since 2014 (mean £242; median £229). Basic pay accounted for the vast majority of total weekly earnings (94 per cent), which is the same proportion reported in 2014.
61. As detailed in Table 3.11, earnings from basic pay was highest in the Management; Electrotechnical; Engineering and Manufacturing Technologies; and Customer Service frameworks.

<sup>12</sup> Some apprentices are provided with free accommodation, paid at a standard rate which is added to their pay eligible for NMW calculations of total earnings. However, because for others the cost of accommodation is deducted, and because a very low proportion of apprentices were provided with accommodation by their employer (three per cent), this has not been included in Figure 3.7.

62. Earnings from basic weekly pay was higher than average amongst male apprentices (mean: £282; median: £260) and those aged 25 and above (mean: £316; median: £300).

**Table 3.11 Mean and median total weekly earnings from basic pay for Level 2 and 3 GB apprentices, by framework**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
		£	£
Hairdressing	457	161	133
Children's Care	371	206	178
Other	313	230	208
Business & related	726	246	230
Hospitality & Catering	460	246	241
Health & Social Care & Sport	946	253	252
Construction	821	259	240
Retail	540	267	249
Customer Service	391	286	284
Engineering & Manufacturing	1,199	289	264
Electrotechnical	439	290	271
Management	506	387	354
<b>GB Total</b>	<b>7,169</b>	<b>265</b>	<b>250</b>

*Base: all GB Level 2 and 3 apprentices for whom it was possible to calculate basic pay*

## Overtime

63. Around three-fifths of Level 2 and 3 apprentices across GB (61 per cent) had worked overtime (either paid or unpaid) for their employer during their apprenticeship; the same proportion reported in 2014.
64. Table 3.12 shows that working overtime was most common in Management (76 per cent) and least common in Hairdressing (40 per cent).

**Table 3.12 Proportion of Level 2 and 3 GB apprentices working overtime, by framework**

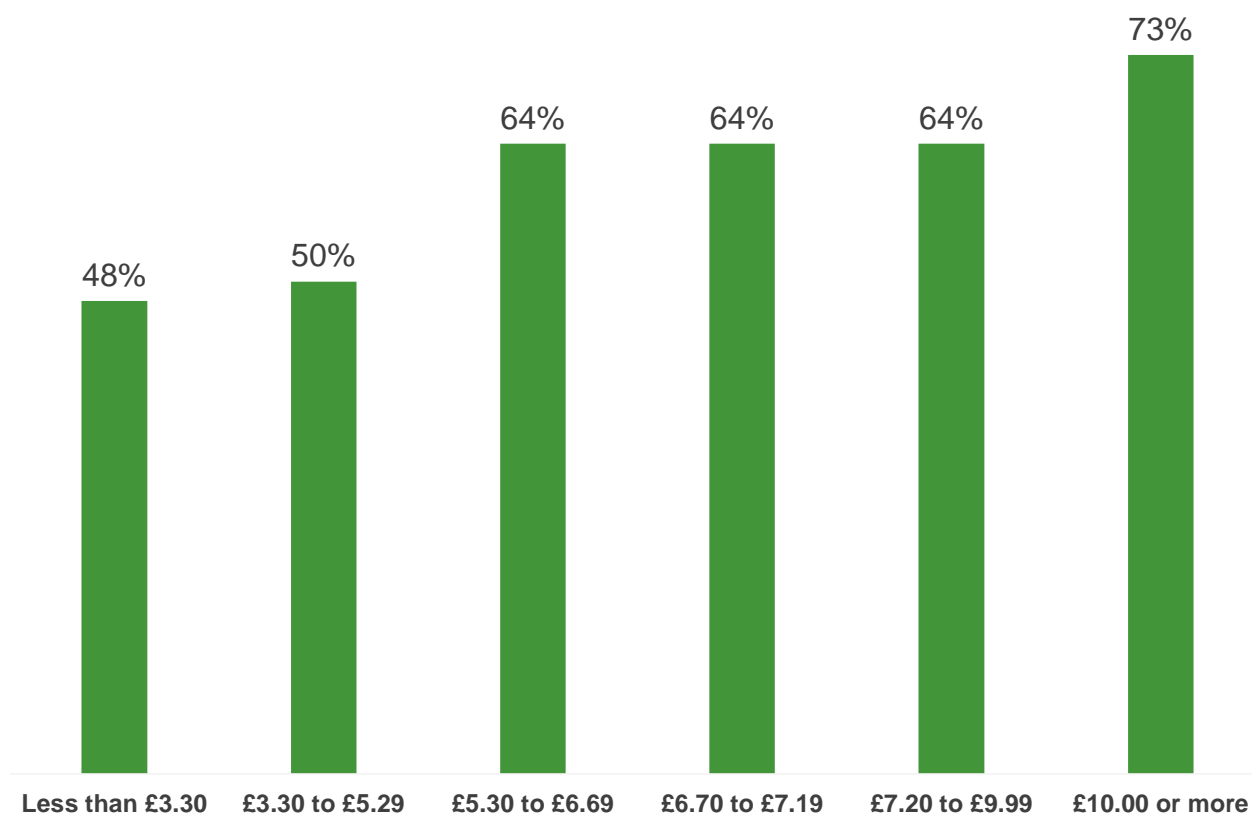
	<i>Base</i>	<b>Work overtime (paid or unpaid)</b>
		%
Management	613	76
Electrotechnical	492	74
Hospitality and Catering	542	69
Engineering & Manufacturing	1,360	67
Retail	630	65
Health, Social Care and Sport	1,149	65
Children's Care	436	59
Customer Service	460	56
Other	363	54
Construction	920	53
Business and related	819	42
Hairdressing	524	40
<b>GB Total</b>	<b>8,308</b>	<b>61</b>

*Base: all GB Level 2 and 3 apprentices*

65. Male apprentices were more likely than female apprentices to have worked overtime (63 per cent compared with 58 per cent respectively). The proportion of apprentices that worked overtime increased with age; from under half of apprentices aged 16-18 (45 per cent) to over two-thirds (68%) amongst apprentices aged 25 or over. As Figure 3.8 shows, the incidence of apprentices ever having worked overtime tended to be higher amongst those with a higher basic hourly pay.



**Figure 3.8 Proportion of GB Level 2 and Level 3 apprentices working overtime, by basic hourly pay**



*Base: All GB Level 2 and 3 Apprentices for whom a basic hourly pay rate was calculated (7,378)*

66. Among apprentices that worked overtime (and could provide information on the number of overtime hours worked<sup>13</sup>), the mean number of weekly overtime hours (either paid or unpaid) was 7.0 hours (median 5.0 hours).. Of those who worked overtime:

- 75 per cent worked less than 10 hours overtime a week;
- 15 per cent worked between 10 and 14 hours; and
- 10 per cent worked 15 or more hours overtime.

67. The number of overtime hours worked per week was highest in the following frameworks (figures based on apprentices working overtime in each framework):

- Customer Service (mean 9.7 hours; median 5.0 hours);

<sup>13</sup> Either in their last full working week, or a typical working week, or (for apprentices who answered with a payslip) the period covered by the payslip averaged to a weekly amount.

- Health, Social Care and Sport (mean 9.2 hours; median 6.3 hours); and
- Hospitality and Catering (mean 7.7 hours; median 6.0 hours).

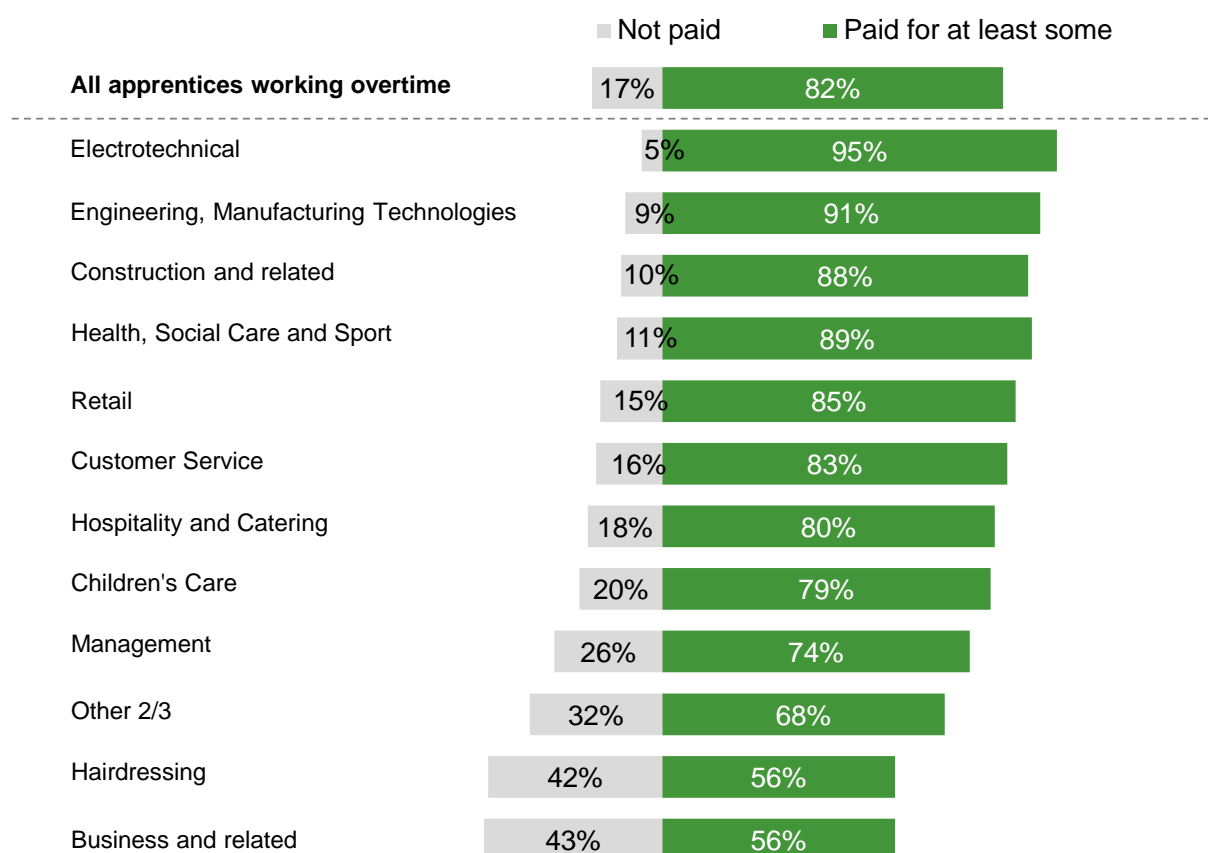
### Earnings from overtime

68. Around four-fifths of apprentices (82 per cent) that had worked overtime had been paid for at least some of the additional hours they worked. Seventeen per cent were not paid for any of the additional hours they worked (the remaining one per cent did not know whether they were paid for their overtime). The proportion of apprentices that were not paid for any of their overtime hours is unchanged from 2014.
69. As shown in Figure 3.9, apprentices in the Electrotechnical and Engineering and Manufacturing Technologies frameworks were the most likely to be paid for at least some of their overtime hours (95 per cent and 91 per cent respectively). These two frameworks were also the most likely to pay apprentices for at least some of their overtime in 2014.
70. Apprentices in the Hairdressing and Business and related frameworks were the least likely to be paid for any of their overtime hours (56 per cent of apprentices in both frameworks were paid for any of their overtime). These two frameworks were also the least likely to pay apprentices for at least some of their overtime in 2014<sup>14</sup>. However, in the case of Hairdressing, the proportion of apprentices paid for at least some of their overtime has increased since 2014 (from 47 per cent to 56 per cent).

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<sup>14</sup> Note that, as in 2014, these two frameworks had the lowest proportions of apprentices working any overtime.

**Figure 3.9 Proportion of Level 2 and 3 GB apprentices that were paid or not paid for their overtime, by framework**



Base: All Level 2 and 3 GB apprentices working overtime, by framework (range: 202 to 876)

71. Among apprentices that were paid for at least some of their overtime hours (and were able to state how many paid overtime hours they worked in a typical week), the mean number of paid overtime hours was 7.7 (median 6.0 hours). Of those who worked paid overtime and could state their hours:
- 75 per cent worked less than 10 hours paid overtime;
  - 15 per cent worked between 10 and 14 hours; and
  - 10 per cent worked 15 or more hours paid overtime per week.
72. The number of paid overtime hours worked per week was highest in the following frameworks (figures based on apprentices working paid overtime in each framework):
- Health, Social Care and Sport (mean 10.0 hours; median 7.0 hours);
  - Customer Service (mean 9.6 hours; median 6.0 hours); and
  - Electrotechnical (mean 8.8 hours; median 5.0 hours).

73. Among apprentices that were paid for their overtime (and were able to state how much they were paid for this), the median amount earned in a week from overtime was £54.00 (mean £82.83).

### Unpaid overtime

74. Apprentices should be paid for all the hours they work, but there are times where apprentices work longer hours without extra pay. This is referred to in the report as 'unpaid overtime'. Unpaid overtime could be at the choice of the apprentice, or as a result of a request from the employer; the questionnaire did not distinguish between the two<sup>15</sup>.
75. Among apprentices that worked overtime, 17 per cent were not paid for any of their overtime hours (equivalent to 11 per cent of all Level 2 or 3 apprentices); unchanged from 2014. This group reported working a mean average of 4.3 unpaid overtime hours per week (median: 3.0 hours)<sup>16</sup>.
76. As show in Table 3.13, among apprentices that worked unpaid overtime (and were able to state their total number of overtime hours and usual hours), those in the Management and Hospitality and Catering frameworks worked the highest median number of weekly unpaid overtime hours (5.0 hours).

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<sup>15</sup> Where an employer has asked the apprentice to work unpaid overtime, this is counted in their total working hours and included in the calculation of their National Minimum Wage rate (discussed in the next chapter). Where the extra hours are the choice of the apprentice, these hours do not count towards their working time; however, their employer does have a responsibility to prevent this from happening.

<sup>16</sup> Some or all of this unpaid overtime could have been taken as flexi leave or as time off in lieu, but the extent to which this occurred was not asked in the survey.

**Table 3.13 Mean and median weekly unpaid overtime hours for Level 2 and 3 apprentices in Great Britain, by framework (among those working any unpaid overtime)**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
		<i>Hours</i>	<i>Hours</i>
Retail	41	6.8	4.0
Management	85	6.3	5.0
Hospitality & Catering	48	6.0	5.0
Health & Social Care & Sport	77	4.3	3.0
Business & related	81	3.4	2.0
Engineering & Manufacturing	56	2.7	2.0
Construction	30	2.6	2.0
Hairdressing	52	1.8	1.0
<b>GB Total</b>	<b>558</b>	<b>4.3</b>	<b>3.0</b>

*Base: all GB level 2 and 3 apprentices working unpaid overtime and who were able to state their total number of unpaid overtime hours*

*Some frameworks not shown due to low base sizes (fewer than 30 apprentices)*

#### Time off in lieu or flexi leave

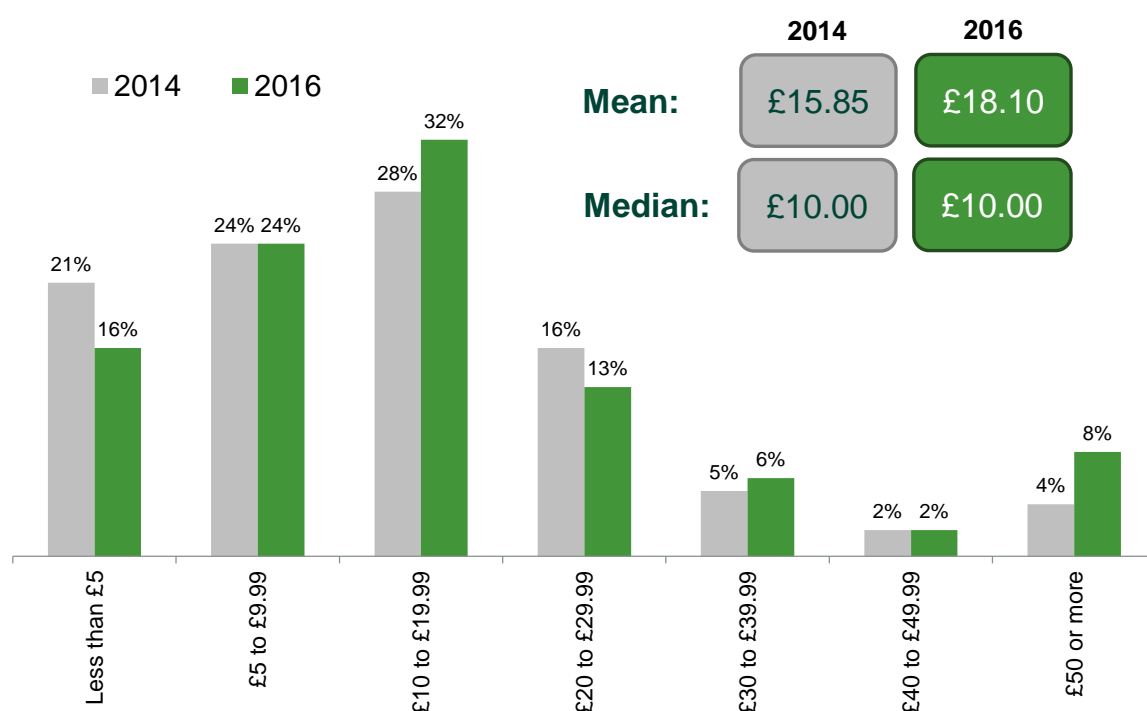
77. Just under two-fifths (39 per cent) of apprentices that had ever worked overtime, either paid or unpaid, were given time off in lieu or flexi leave in return<sup>17</sup>; the same proportion reported in 2014.
78. The provision of time off in lieu or flexi leave was highest in the Business and related and Hairdressing frameworks (57 per cent and 50 per cent respectively), and lowest in the Electrotechnical and Engineering frameworks (both 32 per cent). Those who were never paid for their overtime hours were more likely to be given time off in lieu or flexi leave than those who were paid for at least some of the overtime hours they worked (54 per cent and 36 per cent respectively).

<sup>17</sup> Apprentices were asked "Do you ever get given time off or flexi leave in return for working overtime?" but the questionnaire did not explore how much of apprentice's unpaid overtime was taken as time off in lieu or as flexi leave.

## Tips from customers

79. Seven per cent of apprentices received tips from customers, the same proportion as in 2014.
80. Receipt of tips was most common in the Hairdressing (71 per cent) and Hospitality and Catering frameworks (26 per cent). With these frameworks consisting of higher than average proportions of female apprentices and apprentices aged 16-18, it is no surprise that apprentices aged 16-18 (15 per cent compared with three per cent of those aged 25 plus) and female apprentices (eight per cent compared with six per cent of male apprentices) were more likely to receive tips.
81. Of apprentices receiving tips, the vast majority (85 per cent) received less than £30 in tips in a typical week (see Figure 3.10). The median amount received in tips per week was £10.00 (the same as in 2014).
82. As reported at the start of this chapter, tips accounted for an average of less than one per cent of total weekly earnings across all apprentices but accounted for three per cent in Hairdressing and two per cent in Hospitality and Catering.

**Figure 3.10 Amount received in tips by Level 2 and Level 3 GB apprentices in a typical week**



*Base for bars: All Level 3 and 3 GB apprentices receiving tips who were able to provide either an integer or range figure (2014: 835; 2016: 800)*

*Base for mean/median: All Level 3 and 3 GB apprentices receiving tips who were able to provide an integer figure (2014: 604; 2016: 636)*

## Bonuses

83. Just under a fifth (17 per cent) of apprentices received bonuses from their employer, in line with the proportion reported in 2014 (18 per cent).
84. Bonuses were more common among:
- Those on Customer Service (27 per cent), Engineering and Manufacturing Technologies (27 per cent), Retail (22 per cent) and Business and related frameworks (22 per cent);
  - Younger apprentices (20 per cent of those aged 16 to 24, compared with 13 per cent of those aged 25 and over);
  - Male apprentices (21 per cent, compared with 12 per cent of females);
85. Among apprentices that received bonuses, the median weekly bonus was £9.62, the same as was reported in 2014. As shown in Table 3.14, the highest median weekly bonus was received by Management apprentices (£19.23 a week) with the lowest among those in Hairdressing (£1.92). At an overall level, as well as within frameworks, there were wide differences between the mean and median figures, indicating that, as in 2014, a small proportion of apprentices received very high bonuses compared with the average.

**Table 3.14 Mean and median weekly bonus for Level 2 and Level 3 GB apprentices receiving bonuses, by framework**

	2014			2016		
	<i>Base</i>	<b>Mean weekly bonus (£)</b>	<b>Median weekly bonus (£)</b>	<i>Base</i>	<b>Mean weekly bonus (£)</b>	<b>Median weekly bonus (£)</b>
Construction and related	82	16.66	4.81	158	43.37	5.77
Electrotechnical	63	17.37	4.81	75	40.88	5.00
Management	66	25.01	12.50	117	32.98	19.23
Customer Service	79	28.81	22.38	127	32.15	13.07
Business and related	127	18.85	11.54	160	30.47	13.46
Engineering, Manufacturing Technologies and related	276	17.30	9.62	362	30.09	9.23
Retail	95	13.23	5.88	144	19.99	8.19
Hairdressing	56	7.63	1.92	89	19.03	1.92
Other 2/3	43	12.49	9.62	51	13.93	5.77
Health, Social Care and Sport	34	9.03	2.31	68	12.82	5.25
Hospitality and Catering	45	15.31	8.08	91	8.76	3.46
<b>GB Total</b>	988	<b>17.24</b>	<b>9.62</b>	1,467	<b>28.26</b>	<b>9.62</b>

*Base: all GB Level 2 and Level 3 apprentices receiving bonuses and able to give a figure for the amount of bonus they receive.*

*Some frameworks are not shown due to low base sizes (fewer than 30 apprentices).*



## Accommodation

86. The provision of accommodation by an employer to an apprentice is the only benefit in kind which can be taken into account when calculating basic hourly pay in relation to the NMW.
- If accommodation is provided for free, an “offset rate” of £5.35 (at the time of the survey) is added to the apprentice’s wages for each day that the accommodation is provided for
  - When an apprentice is charged for accommodation:
 

If the charge for accommodation is less than the offset rate would have been no deduction is made from the apprentice’s wages

If the charge for accommodation is more than the offset rate would have been, this amount is deducted from the apprentice’s wages.
87. In line with 2014, three per cent of apprentices were provided with accommodation, either free or charged for. Accommodation was provided for an average of five days a week (both mean and median). Accommodation was provided free of charge to two per cent of apprentices, while one per cent of apprentices were charged for accommodation, at a mean weekly cost of £36.92 (median: £30).
88. By framework, as in 2014, the provision of accommodation was most common in the Electrotechnical framework (eight per cent) and Construction framework (six per cent)<sup>18</sup>. Given that these two frameworks were disproportionately comprised of males, it follows that, overall, male apprentices were more likely than females to be provided with accommodation by their employer (four per cent compared with one per cent of females).

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<sup>18</sup> The higher levels of accommodation provision within these frameworks may be explained by those apprentices at the Construction Industry Training Board’s (CITB) National Construction College.

## Compliance with the National Minimum Wage and National Living Wage

89. This section looks at the extent to which the pay of apprentices was compliant with the National Minimum Wage (NMW) or National Living Wage (NLW) rate for their age and year of apprenticeship. Details of how non-compliance is assessed are provided in chapter 2 of the report, in the section entitled 'Compliance / Non-compliance with the National Minimum Wage (NMW) and National Living Wage (NLW)'.
90. As discussed in the Introduction (Chapter 2, paragraphs 30 – 32), pay calculated as non-compliant could reveal genuine or accidental negligence on the part of employers; however, due to the very small margins of error involved in the calculations, some cases of apparent non-compliance could be due to errors or rounding in the reporting of pay and hours figures by apprentices taking part in the research. The impact of various calculation methods is discussed later in this chapter (from paragraph 131 onwards).
91. Based only on those apprentices for whom compliance or non-compliance could be calculated given their survey responses<sup>19</sup>, 82 per cent were paid at or above the appropriate NMW or NLW, while 18 per cent were paid below the appropriate rate. This represents an increase in non-compliance, from 15 per cent in 2014.
92. When comparing compliance levels between 2014 and 2016, it is important to note that the lowest NMW rate for apprentices (applying to those aged 16 to 18, and all those in their first year of the apprenticeship) underwent a considerable increase between October 2013 (the rate applicable at the time of the 2014 survey) and October 2015 (the rate applicable for the 2016 survey): the rate increased from £2.68 in October 2013 to £3.30 in October 2015 (a 23 per cent increase). Smaller increases were made between 2013 and 2015 to the minimum rates for 19 to 20 year olds in their second year or later (increasing from £5.03 in 2013 to £5.30 in 2015, a five per cent increase) and for 21 to 24 year olds in their second year or later (from £6.31 to £6.70, a six per cent increase). Additionally, the new NLW rate came into force from April 2016, creating a new minimum rate (£7.20) for all those aged 25 and over and in the second year of their apprenticeship or later.
93. Table 3.15 shows the proportion of apprentices with compliant and non-compliant pay, grouped by age and year of apprenticeship. There have been increases in the levels of non-compliance among the two groups where the biggest increases in the minimum pay rate have taken place: non-compliance among those aged 16-18 or in the first year of their apprenticeship increased from 10 per cent in 2014 to 13 per cent in 2016, and non-compliance among those aged 25 and over in their second year or later (now eligible for the new NLW) has increased from 23 per cent in 2014 to 31 per cent in 2016. Among the remaining two groups, where smaller increases in the minimum rate took place, non-compliance has remained in line with 2014.

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<sup>19</sup> An unweighted base of 7,876

**Table 3.15 Compliance by age and year of apprenticeship in 2014 and 2016**

		2014				2016		
<i>Row percentages</i>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>
Age 16-18 or in first year of apprenticeship	%	6,066	90	10	%	5,832	87	13
Age 19-20 and in second year of apprenticeship	%	783	69	31	%	782	68	32
Age 21-24 and in second year of apprenticeship	%	545	65	35	%	657	68	32
Age 25+ and in second year of apprenticeship	%	501	77	23	%	593	69	31

*Base: all for whom compliance / non-compliance could be calculated*

94. As in 2014, there were considerable differences in the proportions receiving compliant pay by framework, as shown in Table 3.16. Once again, Hairdressing apprentices were by far the most likely to have received non-compliant pay (46 per cent), while those on the Management framework were least likely (seven per cent). In line with the overall increase in non-compliance, the proportions being paid below the NMW / NLW had increased in a number of frameworks; particularly large increases occurred in Electrotechnical (from 17 per cent to 23 per cent), Hospitality and Catering (from nine per cent to 15 per cent), Health, Social Care and Sport (from 12 per cent to 17 per cent) and in 'Other' Level 2/3 frameworks (from 20 per cent in 2014 to 27 per cent in 2016).

**Table 3.16: Compliance with NMW by framework for GB Level 2 and Level 3 apprentices**

		2014				2016		
		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>
Hairdressing	%	483	58	42	%	489	54	46
Children's Care	%	497	74	26	%	396	73	27
Construction and related	%	960	79	21	%	881	75	25
Electrotechnical	%	569	83	17	%	476	77	23
Health, Social Care and Sport	%	845	88	12	%	1,067	83	17
Engineering, Manufacturing Technologies and related	%	1,332	85	15	%	1,305	84	16
Business and related	%	883	87	13	%	794	85	15
Hospitality and Catering	%	550	91	9	%	506	85	15
Retail	%	487	88	12	%	594	86	14
Customer Service	%	422	90	10	%	440	89	11
Management	%	422	96	4	%	581	93	7
Other 2/3	%	446	80	20	%	347	73	27
<b>GB Total</b>	%	7,896	<b>85</b>	<b>25</b>	%	7,876	<b>82</b>	<b>18</b>

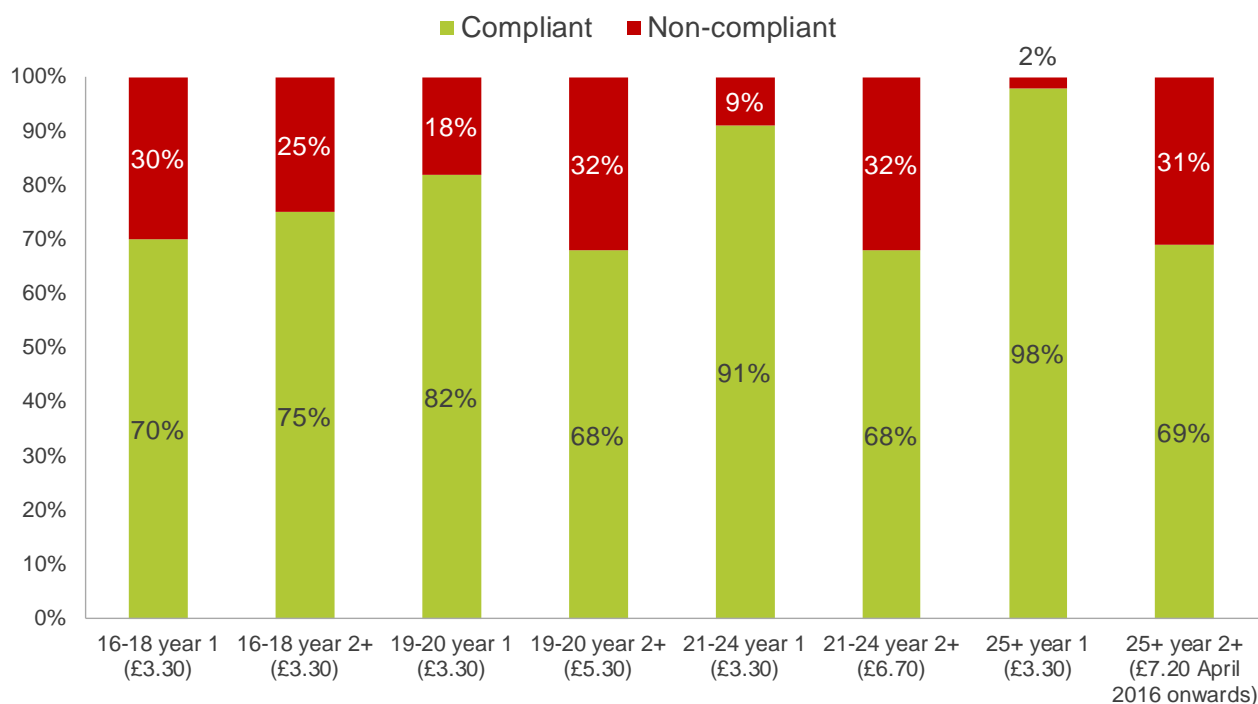
*Base: all GB Level 2 and Level 3 apprentices for whom compliance / non-compliance could be calculated*

95. Non-compliance falls with age, from 29 per cent among those aged 16 to 18, to 23 per cent of those aged 19-20, 18 per cent of 21-24, and 11 per cent of those aged 25 and over.
96. Those nearer the beginning of their apprenticeship were less likely to receive non-compliant pay: 12 per cent of those who had been on their course a year or less were paid less than the appropriate minimum rate, compared with 31 per cent of those who had been on their course for more than a year. Non-compliance within both of these groups has increased compared with 2014, when the levels were nine per cent and 27 per cent respectively.

97. Those who stated that they received at least one day a week of formal training on average were more likely to receive non-compliant pay (23 per cent) than those who said they did not receive at least one day of formal training each week (14 per cent). This could imply that in some cases employers are failing to pay apprentices for time spent on formal training, thus pushing up non-compliance among this group. (Note we have seen that those undertaking Hairdressing apprenticeships were both more likely to receive at least one day per week of formal training, and more likely to receive non-compliant pay).
98. There was also a connection between total hours worked and compliance: those with non-compliant pay worked or trained more total hours per week (mean average: 43.1 hours) compared to those with compliant pay (mean average: 39.9 hours).
99. Non-compliant pay was more common among Level 2 apprentices (20 per cent) than those on Level 3 provision (15 per cent). Non-compliant pay was also more common among:
- Those who were recruited to the apprenticeship (25 per cent) compared with those who were existing employees (14 per cent);
  - Those whose pay decreased as a result of starting the course of training (36 per cent) compared with those whose pay increased (20 per cent) and those whose pay stayed the same (12 per cent);
  - Those who always get paid the same amount each week (23 per cent) compared with those whose pay varies depending on the hours worked (15 per cent);
  - Those employed for the duration of their training only (31 per cent) or with a fixed end date (27 per cent) compared with those employed on a permanent basis (14 per cent);
  - Those without a written contract (27 per cent) compared with those with a written contract (17 per cent);
  - Apprentices in England (18 per cent) compared with those in Scotland (14 per cent) and Wales (14 per cent)
100. Results for compliance by age group combined with year of apprenticeship are shown in Figure 3.11.
101. Those aged 19 and over in the first year of their apprenticeship were most likely to receive compliant pay: 82 per cent of those aged 19 to 20 and in their first year had compliant pay, rising to 91 per cent of those aged 21 to 24 in their first year, to virtually all (98 per cent) of those aged 25 and over in their first year.
102. Just under a third of those aged 19 to 20 and 21 to 24 and in their second year or later reported non-compliant pay, (32 per cent each). Among those for whom the new £7.20 NLW applied (aged 25 and over and in the second or later year of their apprenticeship) just under a third (31 per cent) received non-compliant pay.

103. A similar proportion of those aged 16 to 18 in their first year had non-compliant pay (30 per cent), while a slightly smaller proportion (25 per cent) of those aged 16 to 18 and in their second year received non-compliant pay.

**Figure 3.11 Compliance by age and year of apprenticeship (GB Level 2 and Level 3 apprentices)**



Base: All Level 2&3 GB apprentices for whom a calculation of compliance could be made, by NMW/LW eligibility (range: 375 to 1,561)

104. Table 3.17 and Figure 3.12 show the pay distribution for Level 2 and Level 3 apprentices in Great Britain, also indicating within each pay band the relevant compliance rate. These figures are again based on respondents for whom it was possible to calculate an exact hourly pay figure (7,367 of the 8,308 Level 2 and Level 3 apprentices interviewed)<sup>20</sup>.
105. Overall, although the level of non-compliance has increased since 2014, so too has the proportion paid over £9 an hour: 18 per cent of Level 2 and Level 3 apprentices for whom an hourly pay rate could be calculated received this rate, compared with 15 per cent in 2014.
106. As in 2014, a very small proportion of apprentices were paid £1.50 an hour or less (0.3 per cent). Three per cent were paid between £1.51 and £2.67 (below the 2014 minimum rate), and eight per cent were paid between £2.68 and £3.29; the vast majority of these were eligible for the £3.30 minimum.

<sup>20</sup> Note that the different base results in slightly different compliance figures compared to Level 2 and 3 overall: 19 per cent of those with calculable hourly pay had a non-compliant pay level, compared with 18 per cent of all Level 2 and 3 apprentices in Great Britain for whom compliance could be calculated.

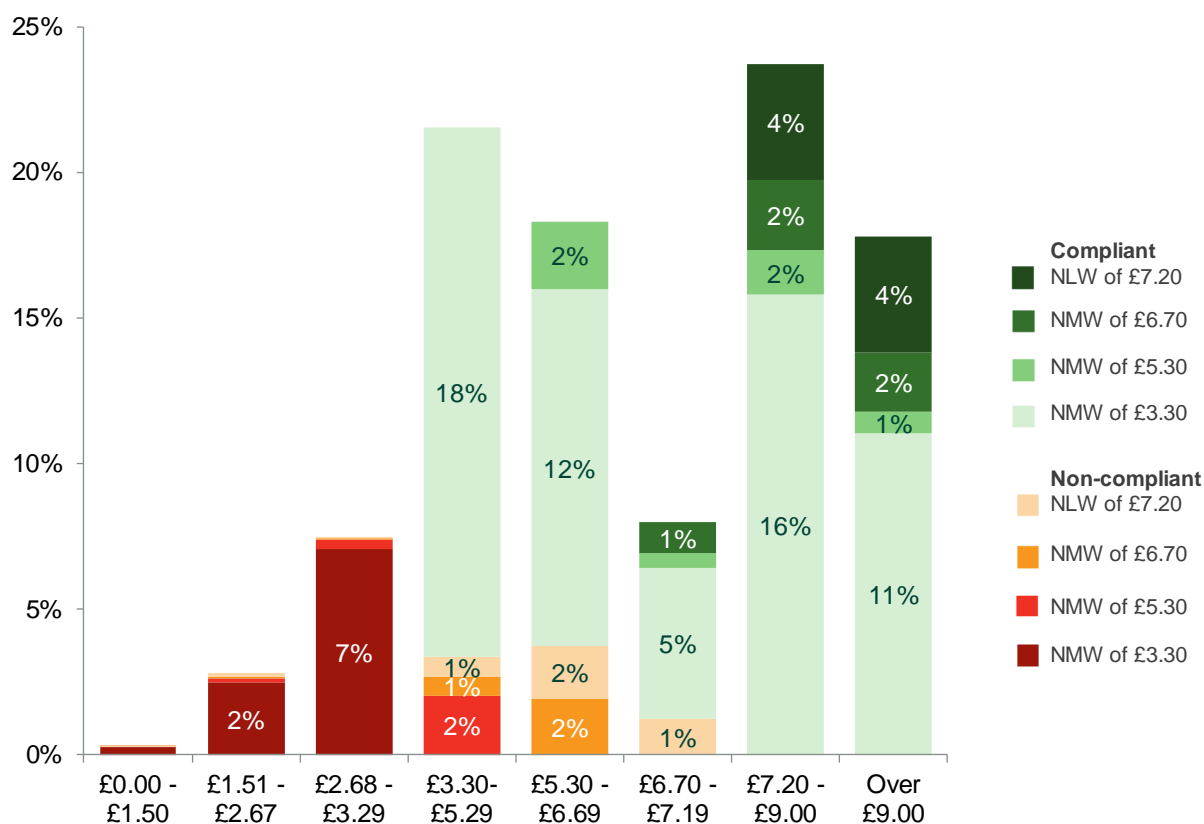
**Table 3.17 Apprentice pay rates and compliance / non-compliance (GB Level 2 and Level 3)**

	Proportion of all apprentices in each pay / compliance band							
	£0.00- £1.50	£1.51 - £2.67	£2.68- £3.29	£3.30- £5.29	£5.30- £6.69	£6.70- £7.19	£7.20 - £9.00	Over £9.00
Compliant	N/A	N/A	N/A	18.2	14.6	6.7	23.7	17.8
Non-compliant	0.3	2.8	7.5	3.4	3.7	1.3	N/A	N/A

*Base: All GB Level 2 and Level 3 apprentices with a specific calculated hourly pay figure (7,367). Each figure is based on the overall base; hence for example 7.5 per cent of all Level 2 and 3 apprentices where an hourly pay figure could be calculated received non-compliant pay of £2.68 to £3.29 an hour.*

107. As well as showing the distribution of hourly pay rates, Figure 3.12 also shows which NMW or NLW rate applied to respondents, and whether the pay was compliant or not. For example, it shows in the final column that one per cent of all apprentices for whom exact hourly pay could be calculated received over £9 an hour while needing a minimum of £5.30 an hour to be compliant, and 11 per cent received over £9 an hour while needing a minimum of £3.30 to be compliant.

**Figure 3.12 Level 2 and Level 3 apprentice pay rates and non-compliance distribution (GB)**



Base: All Level 2&3 GB apprentices with calculated hourly pay figure (7,367)

Figures not shown for results of <0.5%

108. Just over a fifth (22 per cent) of all Level 2 and Level 3 apprentices were paid between £3.30 and £5.29; the majority of these (18 per cent of all Level 2 and Level 3 apprentices) were eligible for a minimum rate of £3.30, and hence had compliant pay; however small proportions should have been receiving at least £5.30 (two per cent of all apprentices), £6.70 (one per cent) or £7.20 (one per cent).
109. A further fifth (18 per cent) of all apprentices were paid between £5.30 and £6.69 an hour; two per cent should have received at least £6.70 an hour, and another two per cent should have received at least £7.20.
110. Eight per cent of all apprentices were paid between £6.70 and £7.19 an hour. One per cent of all apprentices were paid in this range and had non-compliant pay, as they should have received the new NLW of £7.20; prior to the introduction of the NLW in April 2016 this pay would have been compliant, suggesting that the introduction of the NLW has had a small impact on the overall level of non-compliance. Looking just at those eligible for the NLW, in total a third (33 per cent) had non-compliant pay, 11 per cent of whom were paid between £6.70 and £7.19, at or above the pre-April 2016 minimum rate.
111. Two-fifths (42 per cent) of all apprentices were paid at or above the NLW rate of £7.20 an hour.



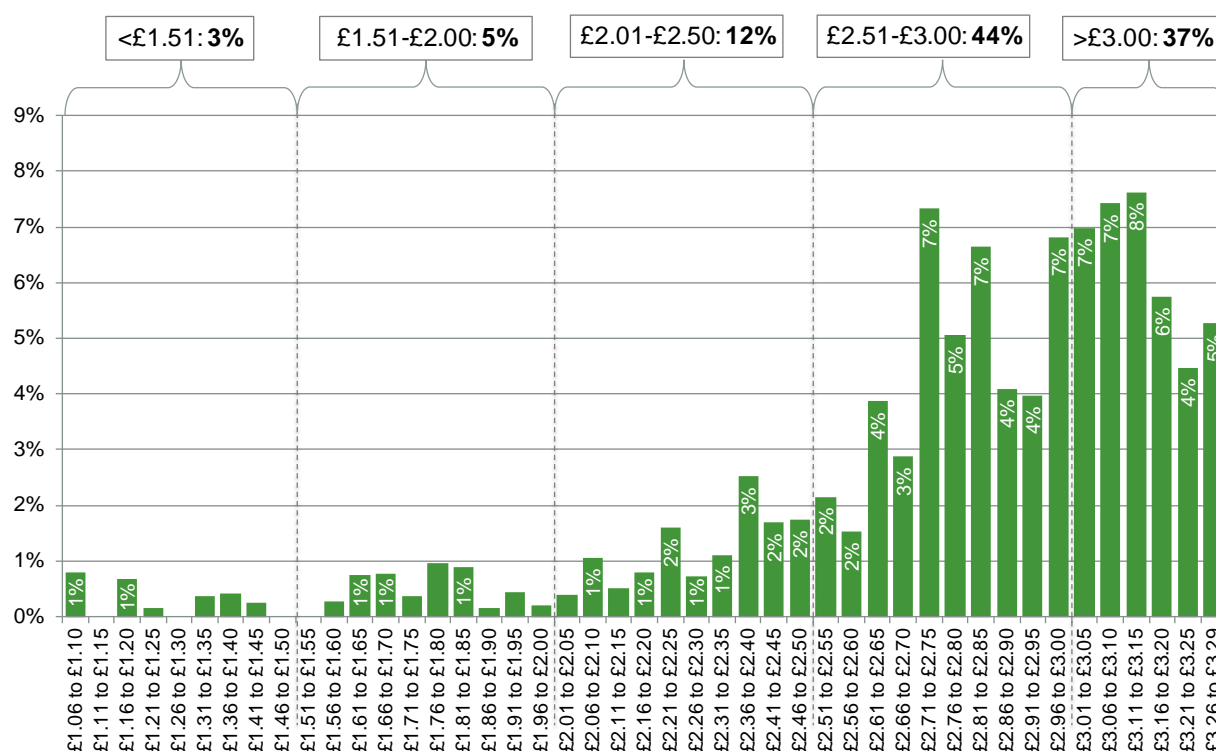
## Apprentices paid less than the National Minimum Wage or National Living Wage

112. The figures in this chapter to date have looked at the rate of compliance / non-compliance among different groups. This analysis now looks at the profile of apprentices having non-compliant pay.
113. Among those whose pay was non-compliant with the NMW, 51 per cent were aged under 19 or were on the first year of their apprenticeship, and were therefore eligible for a minimum of £3.30 an hour; this proportion is in line with 2014, when half (49 per cent) of all apprentices with non-compliant pay were under 19 or in their first year (at which point the minimum rate was £2.68).
114. A fifth of those with non-compliant pay (21 per cent) were aged 25 and over, and were therefore eligible for the NLW of £7.20 an hour, while one in seven (14 per cent) were aged 19 or 20 (eligible for NMW of £5.30 an hour), and a further one in seven (14 per cent) were aged 21 to 24 (eligible for NMW of £6.70 an hour).

## Distance from the National Minimum Wage / National Living Wage

115. Among Level 2 and Level 3 apprentices in Great Britain calculated to have non-compliant pay, a small proportion (three per cent) were paid very close to the relevant NMW or NLW rate (within three pence). Overall more than two-fifths (43 per cent) were paid within 10 per cent of the appropriate rate, an increase on the 38 per cent who were paid within 10 per cent of the appropriate rate in 2014.

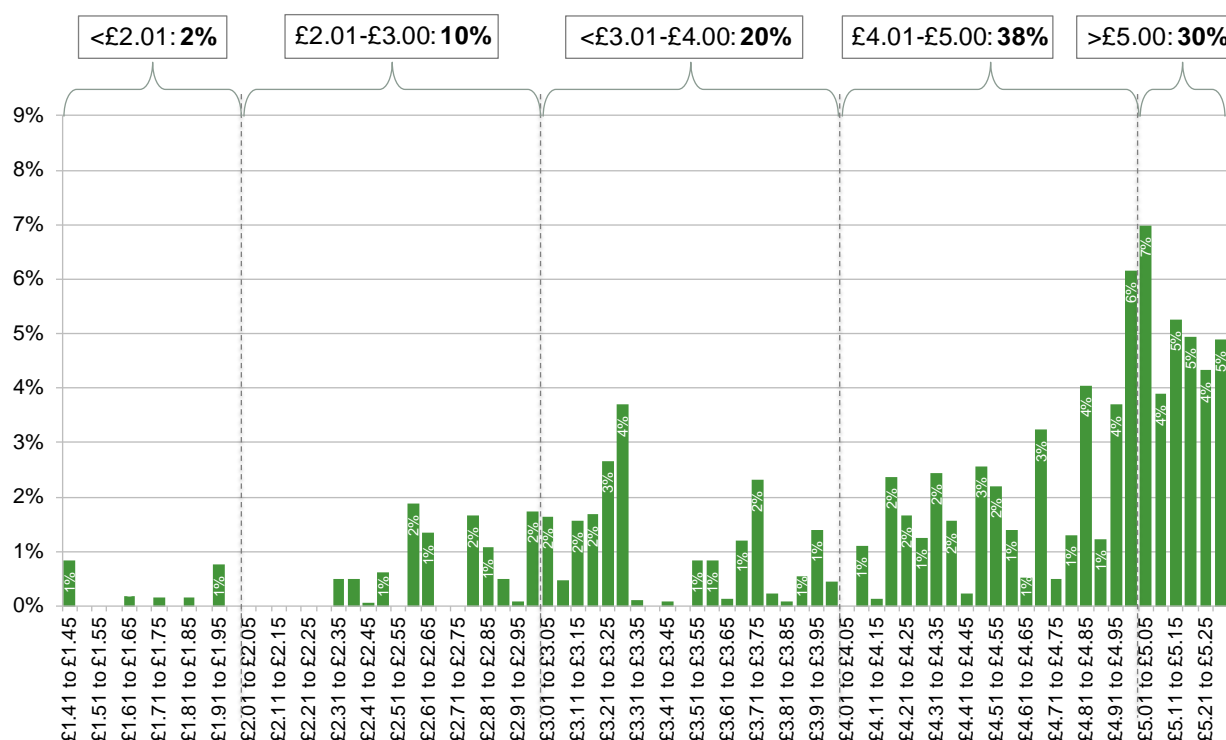
**Figure 3.13 Distribution of pay for those with non-compliant pay aged 16-18 or in the first year of apprenticeship (GB Level 2 and Level 3)**



Base: All GB L2 & L3 aged 16-18 or in first year with non-compliant pay (826)

116. Figure 3.13 shows the distribution of pay below £3.30 for those aged 16 to 18 or in the first year of their apprenticeship among those with calculable pay figures. (Note this section uses the calculated gross hourly pay rather than the basic hourly pay figures used elsewhere in the report – see the discussion on this in Chapter 2).
117. A fairly high proportion of those aged 16 to 18 or in the first year of their apprenticeship were close to the NMW level, indicating that in some cases the apparent non-compliance could be due to measurement or calculation error (e.g. respondents giving rounded figures): 43 per cent were paid within 10 per cent of the correct rate (between £2.97 and £3.29), in line with the 44 per cent of this group within 10 per cent of the appropriate rate in 2014. However, a smaller proportion were very close (within three pence) to the correct rate (three per cent) than in 2014 (nine per cent).
118. Overall, however, those aged 16 to 18 or in the first year of their apprenticeship with non-compliant pay were receiving higher levels of pay than found in the 2014 survey: the proportion being paid more than £2.50 an hour more than doubled from 31 per cent in 2014 to 82 per cent in 2016.
119. The mean pay figure for this group of non-compliant apprentices was £2.78 an hour, the median £2.87. This compares with a mean of £2.30 and a median of £2.38 in 2014.

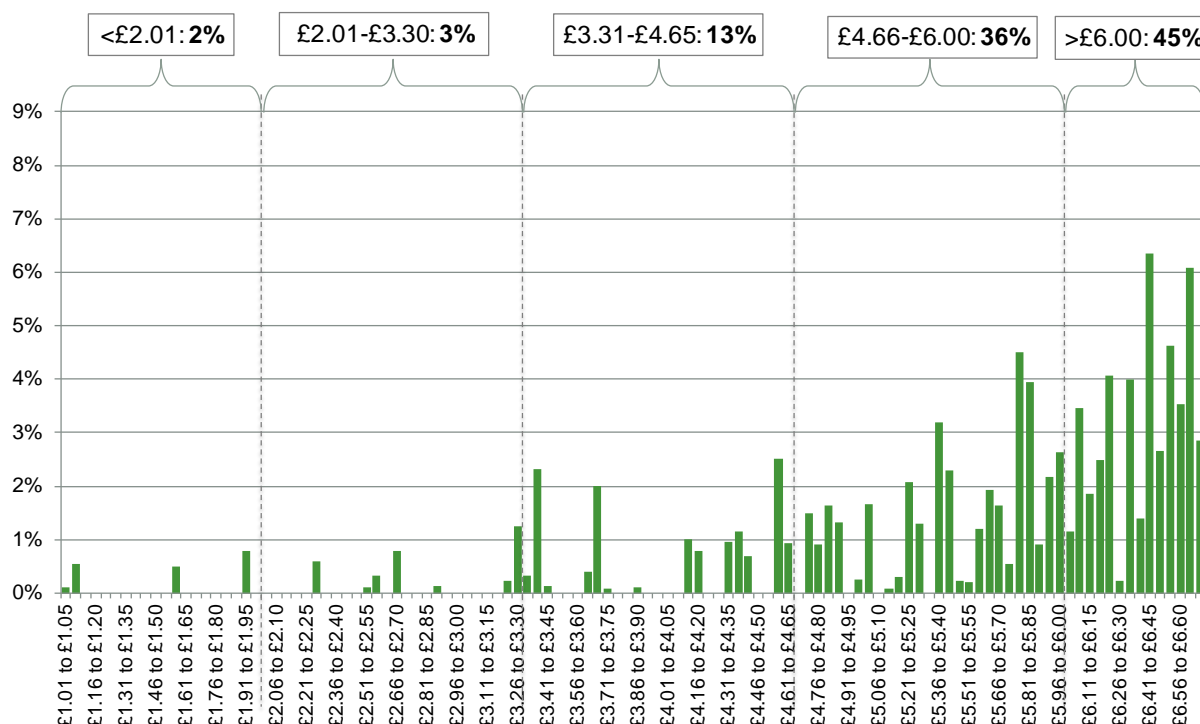
**Figure 3.14 Distribution of pay for those with non-compliant pay aged 19-20 and in the second year or later of apprenticeship (GB Level 2 and Level 3)**



Base: All GB L2 & L3 aged 19-20 and in second+ year of apprenticeship with non-compliant pay (234)

120. Of those with non-compliant pay aged 19 to 20 and in the second year of their apprenticeship or later, four per cent had a gross hourly pay figure very close to the NMW rate (between £5.27 and £5.29), and overall nearly half (46 per cent) were paid within 10 per cent of the correct rate (between £4.77 and £5.29).
121. As shown in Figure 3.14, there was a spike at the £3.26-£3.30 bracket, which suggests that some apprentices within this group were still being paid at the previous minimum rate after having turned 19 and/or moved into the second year of their apprenticeship. There was also a spike around the £5.00 level.
122. Among those with non-compliant pay aged 19 to 20 and in the second year of their apprenticeship or later, just under one in three (30 per cent) were paid more than £5.00 an hour, while a further two-fifths (38 per cent) received between £4.01 and £5.00. A small proportion (two per cent) were paid £2.00 an hour or less.
123. The mean pay figure for non-compliant apprentices aged 19 to 20 and in the second year of their apprenticeship or later was £4.29, and the median £4.67. This compares to a mean of £3.98 and a median of £4.37 for this group of apprentices in 2014.

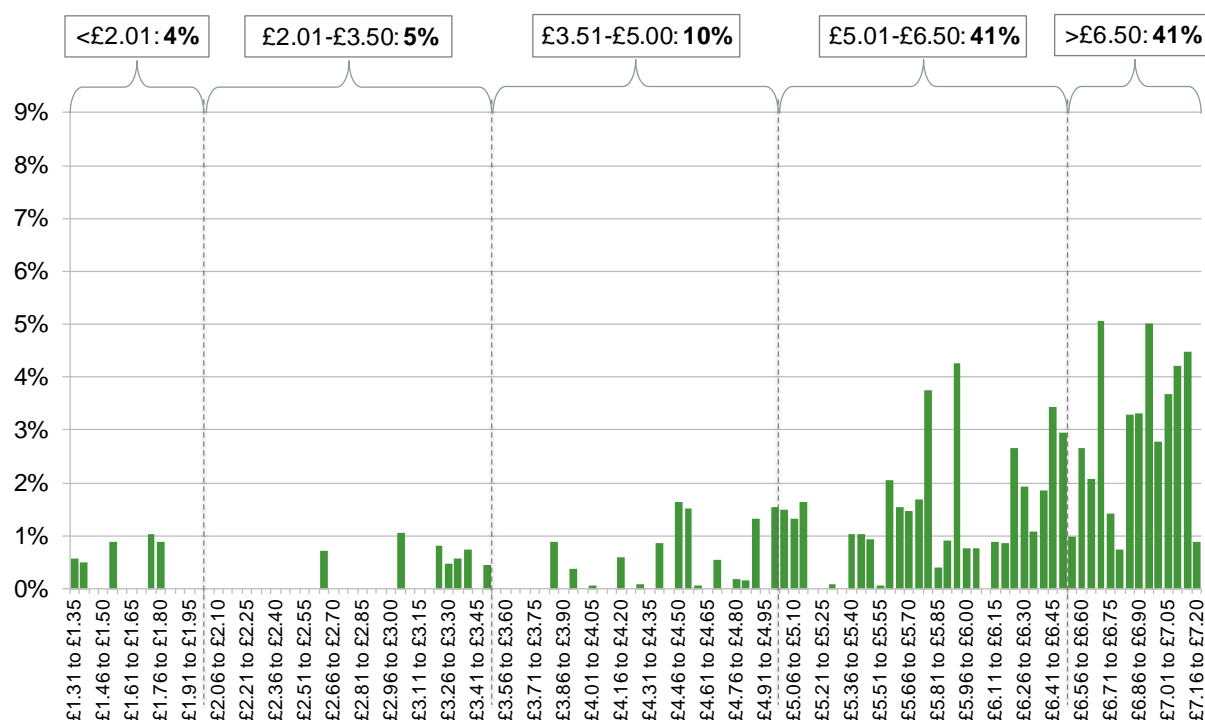
**Figure 3.15 Distribution of pay for those with non-compliant pay aged 21-24 and in the second year or later of apprenticeship (GB Level 2 and Level 3)**



Base: All GB L2 & L3 aged 21-24 and in the second year or later of Apprenticeship with non-compliant pay (194)

124. Among non-compliant apprentices aged 21 to 24 and in the second year of their apprenticeship or later, two per cent had a gross hourly pay figure very close to the NMW rate (between £6.67 and £6.69), and overall more than two-fifths (44 per cent) were paid within 10 per cent of the correct rate (between £6.04 and £6.69).
125. A further third (36 per cent) received between £4.66 and £6.00. However, two per cent of non-compliant apprentices aged 21 to 24 and in the second year or later of their apprenticeship reported pay of £2.00 an hour or less.
126. The mean pay figure for non-compliant apprentices aged 21 to 24 and in the second year of their apprenticeship or later was £5.54, and the median was £5.90. This compares to a mean of £4.89 and a median of £5.13 among this group of apprentices in 2014.

**Figure 3.16 Distribution of pay for those with non-compliant pay aged 25 and over and in the second year or later of apprenticeship (GB Level 2 and Level 3)**



Base: All aged 25+ and in the second year or later of Apprenticeship with non-compliant pay (171)

127. Of non-compliant apprentices aged 25 and over and in the second year of their apprenticeship or later, one per cent had a gross hourly pay figure very close to the NMW rate (between £7.17 and £7.19), and overall more than two-fifths (44 per cent) were paid within 10 per cent of the correct rate (between £6.48 and £7.19).
128. The majority of non-compliant apprentices in this group were paid more than £5.00 an hour, with two-fifths (41 per cent) paid between £5.01 and £6.50, and a further two-fifths (41 per cent) paid more than £6.50 an hour. A third (32 per cent) were paid £6.70 an hour or more, meaning their pay would have been compliant had it not been for the introduction of the NLW; this could suggest that some employers are still complying with the old rate for those aged 21 and over.
129. A minority (four per cent) of those aged 25 and over and in the second year or later of their apprenticeship were paid less than £2.00 an hour.
130. The mean pay figure for non-compliant apprentices aged 25 and over and in the second year of their apprenticeship or later was £5.87, and the median £6.30. This compares to a mean of £5.03 and a median of £5.27 for this group of apprentices in 2014.

## Impact of underlying pay elements on compliance

131. In calculating the compliance of an apprentice's wages with the National Minimum Wage or National Living Wage, basic pay at their standard hourly rate, the provision of accommodation (and/or any associated charges), and unpaid overtime hours are considered (see chapter 2). It is feasible that some apprentices are intentionally paid below the NMW, for example, an hourly rate that is too low or an employer charging high amounts for live-in accommodation. Conversely, underpayment could be the result of mistakes. Earnings below NMW could arise from a delay in an apprentice's pay being increased following a change in eligibility (completing their first year or an increase in age) or from an apprentice voluntarily working additional hours on top of their paid hours. It may also occur due to mistakes by employers about which elements of apprentices' pay counts towards the minimum wage or a lack of knowledge about the NMW rates themselves.
132. This section examines the extent to which particular elements of pay may be contributing to non-compliance. To do this, a range of comparative rates were calculated (each with different pay elements included or excluded) and the compliance of the resultant rates with current NMW / NLW rates investigated. To ensure like-for-like comparisons all of the figures have been based on GB Level 2 and Level 3 apprentices for whom compliance could be determined for all of the pay elements. Table 3.18 shows the pay elements and hours that have been included in each of the different compliance calculations:
- The NMW / NLW calculation (current method);
  - Pay calculated with unpaid overtime removed;
  - Basic hourly pay rate; and
  - Pay calculated with all earnings and all hours.

**Table 3.18 Comparative compliance rates**

	NMW (current method)	Unpaid overtime removed	Basic hourly pay rate	All earnings and all hours
<b>Earnings</b>				
Basic Pay	✓	✓	✓	✓
Accommodation costs (addition or deduction)	✓	✓		✓
Overtime pay				✓
Tips				✓
Bonuses				✓
<b>Hours</b>				
Hours worked at basic rate	✓	✓	✓	✓
Unpaid overtime hours	✓			✓
Paid overtime hours				✓

133. Table 3.19 shows the levels of non-compliant pay resulting from each of the calculation methods.

**Table 3.19 Comparison of non-compliance by different calculation methods by age, gender, year of apprenticeship, and framework (GB Level 2 and Level 3)**

		NMW (current method)	Unpaid overtime removed	Basic hourly pay rate	All earnings and all hours
	<i>Base</i>	%	%	%	%
TOTAL 2014	7,260	16	15	15	15
TOTAL 2016	7,359	18	17	17	16
<b>Age</b>					
16-18	1,863	30	30	30	27
19-20	2,051	24	23	23	21
21-24	1,621	18	18	18	17
25+	1,824	9	8	8	9
<b>Gender</b>					
Male	4,101	18	18	18	16
Female	3,258	18	17	17	16
<b>Year of apprenticeship</b>					
A year or less	5,145	13	12	12	12
More than a year	2,214	29	29	29	27
<b>Framework</b>					
Business and related	736	16	15	15	15
Children's Care	379	28	27	27	27
Construction and related	845	25	25	25	24
Customer Service	404	10	9	9	8
Electrotechnical	446	24	24	24	20
Engineering, Manufacturing Technologies and related	1,227	17	17	17	15
Hairdressing	463	47	45	45	38
Health, Social Care and Sport	995	15	14	14	14
Hospitality and Catering	476	14	14	14	12
Management	511	6	5	5	6
Retail	557	12	13	13	12
Other 2/3	320	29	29	29	27

*Base: All GB Level 2 and Level 3 apprentices for whom compliance or non-compliance could be calculated across all calculation methods*

134. As shown in Table 3.19, at an overall level, calculating NMW with unpaid overtime removed, or using the basic hourly pay rate, does not have a significant impact on the proportion of apprentices calculated as receiving non-compliant pay. However, there is a decrease in non-compliance when hourly pay is calculated taking into account *all earnings* and *all hours*, from 18 per cent to 16 per cent, suggesting that in



some cases employers may be expecting tips or other additional wages to supplement basic wages. By framework, this difference was particularly evident among Hairdressing apprentices, with a non-compliance level of 38 per cent when all earnings and hours were included, compared with 47 per cent according to the correct NMW calculation. This difference within Hairdressing is similar to that found in 2014, when 35 per cent received compliant pay if all earnings and hours were included, compared with 45 per cent according to the NMW calculation.

135. While a similar pattern can be seen across all other frameworks, there were no other statistically significant differences within framework between the different compliance calculation methods. It therefore seems to be the case, as in 2014, that the inclusion or exclusion of unpaid overtime, bonuses, higher rate pay and accommodation has a relatively minor impact on compliance overall, due to the fact that each of these pay elements only applied to a minority of apprentices. Looking at just the groups receiving each of these pay elements in Table 3.20 reveals a greater impact on compliance.

**Table 3.20 Impact on compliance levels according to certain pay elements, among the apprentices who received that element of pay (GB Level 2 and Level 3)**

	<i>Base</i>	<b>Proportion of apprentices</b>	<b>Standard non-compliance</b>	<b>Unpaid overtime removed</b>	<b>All earnings and all hours included</b>
<b>Received any additional earnings (tips, bonuses, or paid overtime)</b>	2,552	32%	17%	n/a	12%
<b>Worked unpaid overtime</b>	500	7%	28	20%	n/a

*Base: All Level 2 and Level 3 GB apprentices for whom a calculation could be made from the extra earning elements and current compliance level was known.*

136. Among all apprentices for whom compliance could be calculated across each pay measure, a third (32 per cent) had earnings in addition to their basic pay, including tips, bonuses and paid overtime. Based on their pay eligible for the NMW (which excludes all additional earnings), 17 per cent had non-compliant pay; when their hourly rate was recalculated to incorporate additional earnings this falls to 12 per cent. Looking at the seven per cent of apprentices with calculable compliance who worked any unpaid overtime, 28 per cent had non-compliant pay when based on pay eligible for the NMW (which includes unpaid overtime); when their hourly rate was recalculated excluding unpaid overtime hours, this fell to 20 per cent.
137. To explore the idea that underpayment was caused by employers being slow to react to a change in the NMW rate eligibility, compliance was investigated among those aged over 18 who had recently (within two months prior to interview) finished their first year, or turned 19, 21 or 25 in age.

138. While in 2014 there was no significant difference in the level of non-compliance between the two groups, in 2016 those who had undergone a recent change in eligibility were more likely to be non-compliant (29 per cent) compared to those who had not recently changed eligibility (17 per cent).
139. Breaking this down further, those who had recently finished the first year of their apprenticeship had a higher level of non-compliance (41 per cent) compared with second years who had not recently finished the first year (30 per cent). There were no significant differences in compliance levels between those who had just turned either 19, 21 or 25 in age, and the rest of their age group; however, it should be noted that the base sizes in these cases were very low.
140. When non-compliance is estimated based on payslip information only, this has a relatively small effect: 17.5 per cent of payslip respondents were calculated to have non-compliant pay, compared with 18.7 per cent of non-payslip respondents. Among those respondents whose payslip contained both their pay and hours, non-compliance drops to 15.4 per cent; however, it should also be considered that there may be a bias in that the types of apprenticeships likely to provide payslips clearly showing pay and hours worked may also be more likely to provide compliant pay.
141. Based on self-reported hourly pay figures only (that is, where the apprentice stated that they knew their hourly pay figure<sup>21</sup>), the level of non-compliance was significantly lower: just three per cent of this group gave a non-compliant figure for their hourly pay, down from five per cent in 2014. Overall, just over half (52 per cent) of apprentices whose pay was *calculated* as non-compliant gave a stated hourly rate that was compliant with the appropriate NMW / NLW. This discrepancy could arise for several reasons: apprentices being misinformed about their hourly rate; apprentices failing to factor in some elements of the NMW / NLW such as overtime or accommodation; and measurement errors as described in the introduction of this report (Chapter 2, paragraph 30).

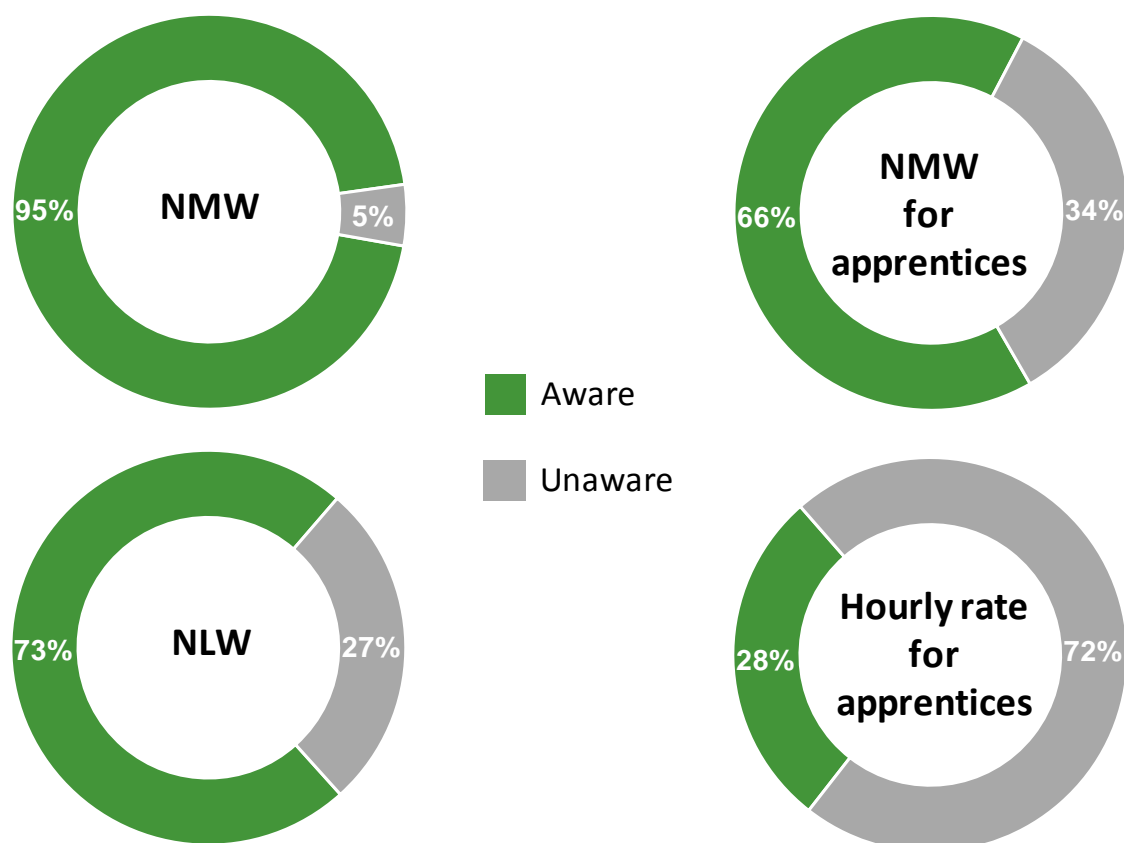
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<sup>21</sup> Three-fifths (60 per cent) of Level 2 and Level 3 apprentices were able to state their hourly pay (an unweighted base of 5,029).

## Awareness of the Apprentice Rate of National Minimum Wage

142. The vast majority of apprentices (95 per cent) had heard of the National Minimum Wage, in line with 2014 (94 per cent). In 2014 those with non-compliant pay were less likely to be aware of the NMW, but in 2016 there was no difference between the two groups.

**Figure 3.17 Awareness of NMW, NLW and hourly rates (GB Level 2 and Level 3)**



*Base: All GB Level 2 and Level 3 apprentices (8,308)*

143. Certain groups were less likely to be aware of the NMW, including:

- Younger apprentices (91 per cent of those aged 16-18 were aware, rising to 97 per cent of those aged 25 and older);
- Asian / Asian British apprentices (84 per cent were aware, compared with 94 per cent of those with Mixed ethnicity, 96 per cent of White apprentices, and 97 per cent of Black / Black British apprentices);
- Apprentices in Hairdressing (92 per cent aware) and Children's Learning and Development (93 per cent), compared with an average of 96 per cent awareness across all other frameworks.

144. Apprentices were less aware of the National Living Wage, which came into force from 1st April 2016; less than three-quarters (72 per cent) had heard of it, though this rises to 78 per cent among those affected by the NLW (i.e. those aged 25 plus). Those with non-compliant pay were less likely to have heard of the NLW (66 per cent, compared with 74 per cent of those with compliant pay).
145. Two-thirds (66 per cent) of Level 2 and Level 3 apprentices in Great Britain were aware that there is a National Minimum Wage rate for certain apprentices, an increase compared with 2014 (62 per cent). In contrast to awareness of the NMW in general, younger apprentices were more likely to be aware that there is a NMW for apprentices: nearly three-quarters (73 per cent) of those aged between 16 and 24 were aware, compared with less than three-fifths (56 per cent) of those aged 25 and over.
146. Other groups less likely to be aware of the NMW for apprentices were:
- Asian / Asian British apprentices (35 per cent aware, compared with 59 per cent of apprentices with Mixed ethnicity, 62 per cent of Black / Black British apprentices, and 68 per cent of White apprentices);
  - Apprentices in Health, Social Care and Sport (50 per cent) and Hospitality and Catering (56 per cent).
147. Of all Level 2 and Level 3 apprentices in Great Britain, just over a quarter (28 per cent) said they knew the minimum hourly rate for apprentices, up from less than a quarter (23 per cent) in 2016<sup>22</sup>. Those with compliant pay were less likely to be aware of the hourly rate (27 per cent) than those with non-compliant pay (35 per cent).
148. Other groups less likely to be aware of the minimum hourly rate for apprentices included:
- Older apprentices (16 per cent of those aged 25 and older were aware, rising to 41 per cent among those aged 16 to 18);
  - Female apprentices (25 per cent aware, compared with 31 per cent of men);
  - Asian / Asian British apprentices (16 per cent aware, compared with 26 per cent of Black / Black British apprentices, 28 per cent of White apprentices, and 33 per cent of apprentices with Mixed ethnicity);
  - Apprentices in Scotland (22 per cent aware) compared with those in England (29 per cent) and Wales (25 per cent).

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<sup>22</sup> Note that while apprentices were asked if they knew the minimum hourly rate, this knowledge was not tested (i.e. they were not asked to give the hourly figure as part of the interview).

149. As shown in Table 3.21, apprentices on frameworks with above average awareness of the apprenticeship NMW also tended to have above average awareness of the hourly rate.

**Table 3.21 Awareness of an Apprenticeship NMW and of the NMW hourly rate by framework (GB Level 2 and Level 3 apprentices)**

	<i>Base</i>	<b>Aware of apprenticeship NMW</b>	<b>Aware of hourly rate</b>
		%	%
Electrotechnical	492	79	35
Business and related	819	77	38
Engineering, Manufacturing Technologies and related	1360	77	33
Other 2/3	363	75	44
Hairdressing	524	72	37
Construction and related	920	70	31
Customer Service	460	65	26
Management	613	65	20
Retail	630	62	19
Children's Learning and Development and Well Being	436	60	35
Hospitality and Catering	542	56	19
Health, Social Care and Sport	1149	50	17
<b>GB Total</b>	<b>8308</b>	<b>66</b>	<b>28</b>

*Base: all GB Level 2 and Level 3 apprentices*

## Links between awareness and non-compliance

150. In *Understanding apprentice pay: Interim report*<sup>23</sup>, analysis of the 2014 Apprenticeship Pay Survey data revealed an apparent link between awareness of the NMW and other wage measures, and the level of non-compliant pay. Generally, among those with lower awareness, a greater proportion had non-compliant pay: 24 per cent of those who had not heard of the NMW received non-compliant pay, falling to 15.5 per cent of those who had heard of the NMW, and 12.4 per cent of those who were aware of both NMW and the apprenticeship NMW. However, those who claimed to be aware of the apprenticeship NMW hourly rate actually had a higher level of non-compliance (19.2 per cent); the authors suggested that this could be due to those with low pay being more likely to compare their earnings with the legal minimum rates, or to do with specific characteristics of those apprentices.
151. As shown in Table 3.22, the same pattern is evident in 2016, with higher levels of non-compliant pay among both those with no awareness of the NMW (21 per cent) as well as those with awareness of the NMW, the apprentice NMW and the apprentice NMW hourly rate (22 per cent). A similar pattern is found when looking at just those apprentices eligible for the apprenticeship NMW rate of £3.30, with a fifth (19.6 per cent) of those who had not heard of the NMW receiving non-compliant pay, falling to a tenth (9.9 per cent) of those who had heard of both the NMW and the apprenticeship NMW wage. Just under a fifth (17.5 per cent) of those who stated they knew the apprenticeship NMW hourly rate and were eligible for that rate received non-compliant pay.

**Table 3.22 Extent of non-compliance by NMW and apprenticeship NMW (ANMW) awareness (GB Level 2 and Level 3 apprentices)**

	All apprentices		Apprentices eligible for apprenticeship NMW (£3.30)	
	<i>Base</i>	% of apprentices with non-compliant pay	<i>Base</i>	% of apprentices with non-compliant pay
Not heard of NMW	403	21.0	327	19.6
Heard of NMW but not ANMW	2,123	16.5	1,581	10.3
Heard of NMW & ANMW but not ANMW hourly rate	3,079	15.6	2,165	9.9
Heard of NMW & ANMW & aware of ANMW hourly rate	2,237	22.1	1,730	17.5

*Base: all GB Level 2 and Level 3 apprentices where compliance could be calculated*

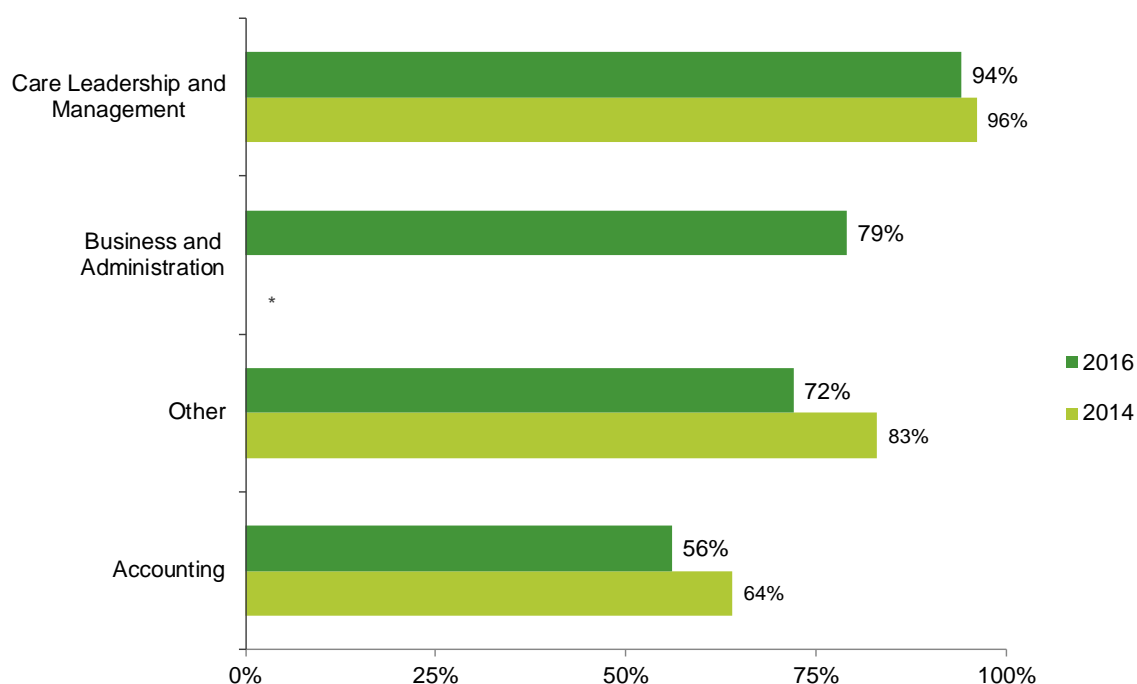
<sup>23</sup> Drew, H., Ritchie, F. and Veliziotis, M. (2016) *Understanding apprentice pay: Interim report*. Project Report. Low Pay Commission, London. Available from: <http://eprints.uwe.ac.uk/28554>

## 4. Pay levels of Level 4 and Level 5 apprentices in Great Britain

### Routes into Apprenticeships

152. The vast majority of Level 4 and 5 apprentices (87 per cent) had already been working for their employer when they started their apprenticeship. This is in line with the 2014 Apprenticeship Pay Survey (88 per cent).
153. The 2015 Apprenticeships Evaluation (covering England only) asked questions focussing on whether apprentices were recruited specifically for their apprenticeship: two-thirds (67 per cent) of Level 4 and Level 5 apprentices were existing employees, and had not been recruited specifically. This is a considerably lower proportion than the 87 per cent of apprentices already working for their employer according to the Apprenticeship Pay survey; however, a further 10 per cent in the 2016 Apprenticeship Evaluation Survey indicated that they were recruited specifically for an apprenticeship, but did not start their training straight away (for example, if they had to undertake a trial period). Apprentices recruited in this circumstance may well have stated that they 'had already been working for their employer when they started the courses or training' when presented with a simple yes / no option (unlike the more nuanced approach taken in the Apprenticeship Evaluation), which would inflate the proportion counted as 'existing employees'.
154. In the 2016 Apprenticeship Pay Survey there were noticeable differences across framework in terms of whether apprentices were working for their employer prior to beginning their training (see Figure 4.1). The frameworks with the highest proportions of those already working for their employer were Care Leadership and Management (94 per cent) and Business and Administration (79 per cent).
155. All frameworks showed a decrease in the number of apprentices already working for their employer, compared with in 2014. In 2016 smaller proportions of apprentices in care Leadership and Management (94 per cent), Accounting (56 per cent) and Other (72 per cent) had worked for their employer before starting their apprenticeship than in 2014 (96 per cent, 64 per cent and 83 per cent respectively).
156. Similar to the 2014 survey, results showed that the likelihood of apprentices working for their employer prior to enrolment increased with age. Less than two fifths of 16-18 year olds (38 per cent) and 19-20 year olds (39 per cent) worked for their employer before starting their apprenticeship. This increased to nearly two thirds (66 per cent) of 21-24 year olds and 96 per cent of those aged 25 or older. In line with 2014 results, female apprentices were also more likely to have already been working for their employer (93 per cent, compared with 77 per cent of men).

**Figure 4.1 Proportion of Level 4 and Level 5 apprentices in Great Britain working for their employer prior to starting their apprenticeship, by framework**



Base: All GB Level 4 and Level 5 apprentices: 2014 (841); 2016 (930)

\* Business and Administration data not available for 2014

## Working arrangements and number of hours contracted to work

### Contractual and employment arrangements

157. The vast majority (96 per cent) of Level 4 and Level 5 apprentices in Great Britain reported that they had a written contract with their employer and four per cent had no written contract. These results were all in line with 2014.
158. In most cases written contracts covered the full year (94 per cent of all Level 4 and Level 5 apprentices). Of apprentices contracted to work only part of the year, 27 per cent were contracted for between 12 and 26 weeks, 43 per cent for between 27 and 39 weeks, and 14 per cent for between 40 and 51 weeks; the remainder were unsure of the number of weeks they were contracted to work.
159. The vast majority (90 per cent) of apprentices had a permanent job with their employer with no fixed end date, more than in 2014 (88 per cent).
160. Employment arrangements and contractual statuses varied by framework and age, as shown in Table 4.1. Business and Administration apprentices were most likely to have a written contract (100 per cent), however Care Leadership and Management apprentices were most likely to be employed on a permanent basis (93 per cent).



161. Employment arrangements also varied with age. Younger apprentices were less likely to be employed on a permanent basis: less than two-thirds (63 per cent) of those aged 19 to 20 had permanent employment rising to 94 per cent among those aged 25 or older. These results show the same patterns as the 2014 survey.

**Table 4.1 Written contracts and employment arrangements by framework and age of Great Britain Level 4 and Level 5 apprentices**

			Written contract		Employment arrangement <sup>24</sup>			
Row percentages	Base		Yes	No	Permanent	Training period only	Fixed end after completion	Previously employed
<b>Framework</b>								
Business and Administration	127	%	100	-	87	5	4	79
Accounting	188	%	96	3	80	8	6	56
Care Leadership and Management	395	%	96	4	93	1	4	94
Other	220	%	94	5	81	5	8	72
<b>Age</b>								
19-20	132	%	96	2	63	14	11	39
21-24	201	%	94	5	81	6	8	66
25+	578	%	96	3	94	*	3	96
Total	930	%	96	4	90	2	5	87

Base: All Great Britain Level 4 and Level 5 apprentices

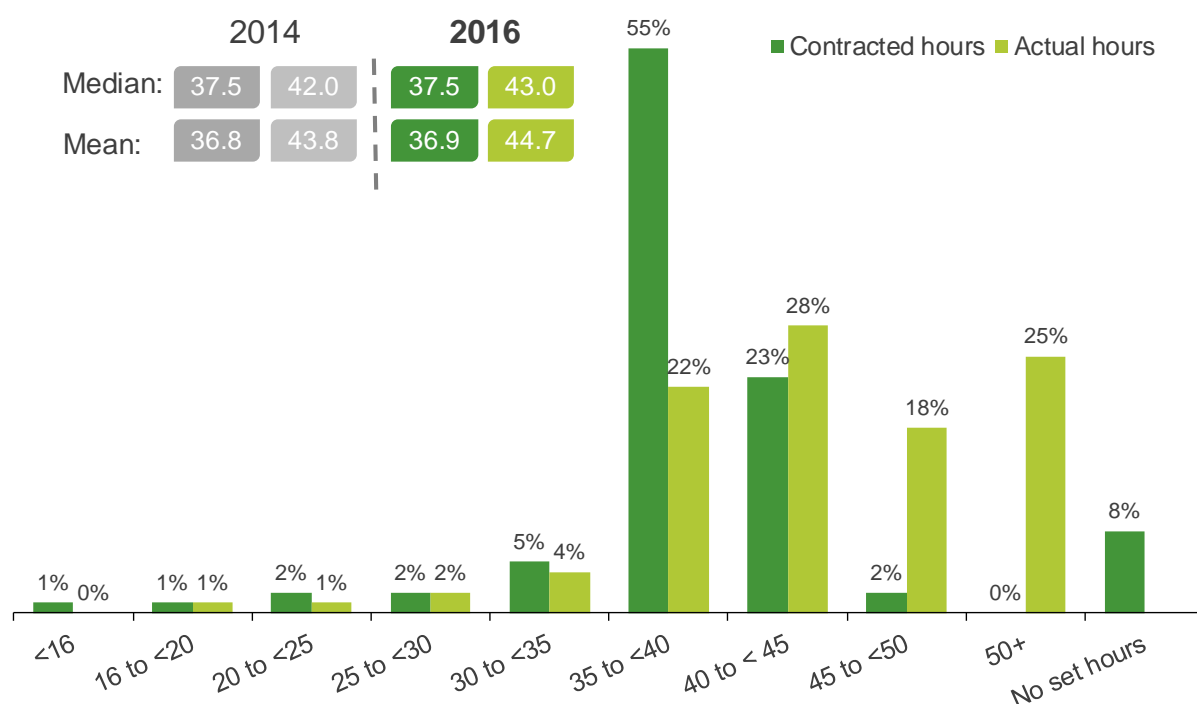
Row percentages in each set do not sum to 100% due to exclusion of 'Other' and 'Don't know' responses.

<sup>24</sup> This question was asked of all apprentices, irrespective of whether or not they had a written contract.

## Contracted hours versus the number of hours worked

162. The vast majority (92 per cent) of Level 4 and Level 5 apprentices worked a certain number of set hours each week, as was the case in 2014 (93 per cent). As shown in Figure 4.2, this was most often 35 to 39 hours a week (55 per cent of all Level 4 and Level 5 apprentices) or 40 to 44 hours a week (23 per cent). Apprentices had a mean of 36.9 contracted hours a week and a median of 37.5, very close to the 2014 figures (36.8 hours and 37.5 hours respectively).
163. Apprenticeship funding rules state that apprentices must be employed for at least 30 hours a week, or, in exceptional circumstances (for example due to personal situations), apprentices may work part-time for between 16 and 29 hours a week. Despite this, one per cent of apprentices in 2016 reported contracted hours of between one and 15 hours a week.
164. Average contracted hours (mean: 36.9, median: 37.5) were lower than average actual hours worked (mean: 44.7, median: 43.0). Overtime hours and pay are covered later in this chapter.
165. Overall a quarter (25 per cent) worked and trained more than 50 hours a week. Certain groups were more likely to be working and training for more than 50 hours a week:
  - Level 5 apprentices (33 per cent, compared with 13 per cent of Level 4 apprentices);
  - Older apprentices (27 per cent of those aged 25 and over, and 22 per cent of those aged 21-24, compared with eight per cent of those aged 19 to 20; and
  - Those on the Care Leadership and Management (29 per cent) and Other frameworks (23 per cent).

**Figure 4.2 Number of hours contracted to work versus number of actual hours working and training**



Base: Contracted hours: All GB Level 4 and Level 5 apprentices (930);  
Actual hours: All GB Level 4 and Level 5 apprentices for whom a calculation of stated hours could be made (805)

166. Table 4.2 shows actual hours worked against the hours apprentices were contracted to work. In addition, the final column shows the percentage of apprentices who worked more hours than contracted. Overall, 83 per cent of apprentices with set contracted hours worked or trained a higher number of hours than they were contracted for. This level was higher among those with lower contracted hours: the vast majority (91 per cent) of those contracted for less than 20 hours a week and 86 per cent of those contracted for between 20 and 29 hours a week worked or trained longer actual hours than specified in their contracts.

**Table 4.2 Number of hours contracted to work versus number of actual hours working and training (Great Britain Level 4 and Level 5)**

			Actual hours worked					
Contracted hours	Base 805		1-19	20-29	30-39	40-49	50+	% working longer actual hours than contracted <sup>25</sup>
1-19	18	%	34	39	24	-	4	91%
20-29	42	%	-	61	32	6	1	86%
30-39	540	%	-	-	33	49	18	83%
40-49	153	%	-	-	8	53	39	83%
50+	4	%	-	-	-	-	100	86%
No set hours	48	%	-	-	22	20	58	n/a
Total set hours	757	%	1	3	26	47	23	83%

*Base: GB Level 4 and Level 5 apprentices for whom a calculation of actual hours could be made*

167.

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<sup>25</sup> Figures in this column have been calculated from the actual figures given for apprentices' contracted hours and their actual hours worked, rather than simply the banded ranges shown on the table

168. Table 4.3 shows the mean and median figures for both contracted and actual hours broken down by framework, and also shows the difference between average contracted and actual hours. Overall apprentices worked an average of 7.8 hours (mean) or 5.5 hours (median) over their contracted hours.

**Table 4.3 Number of hours apprentices contracted to work versus number of actual hours (Great Britain Level 4 and Level 5 apprentices)**

			Mean hours			Median hours		
	Contracted hours base	Actual hours base	Contracted	Actual	Extent to which actual hours exceed contracted hours	Contracted	Actual	Extent to which actual hours exceed contracted hours
Accounting	188	169	36.3	40.9	4.6	37.5	40.0	2.5
Business and Administration	127	118	36.5	41.1	4.6	37.5	40.0	2.5
Care leadership and Management	395	324	<b>37.0</b>	<b>45.7</b>	<b>8.7</b>	37.5	<b>45.0</b>	<b>7.5</b>
Other 4/5	220	194	<b>37.0</b>	44.0	7.0	37.5	42.0	4.5
Total	930	805	36.9	44.7	7.8	37.5	43.0	5.5

*Base for contracted hours: All GB Level 4 and Level 5 apprentices with a specified number of contracted hours. Base for actual hours: all GB Level 4 and Level 5 apprentices for whom a calculation of hours worked could be made.*

*Figures in bold denote figures that are higher than the overall average.*

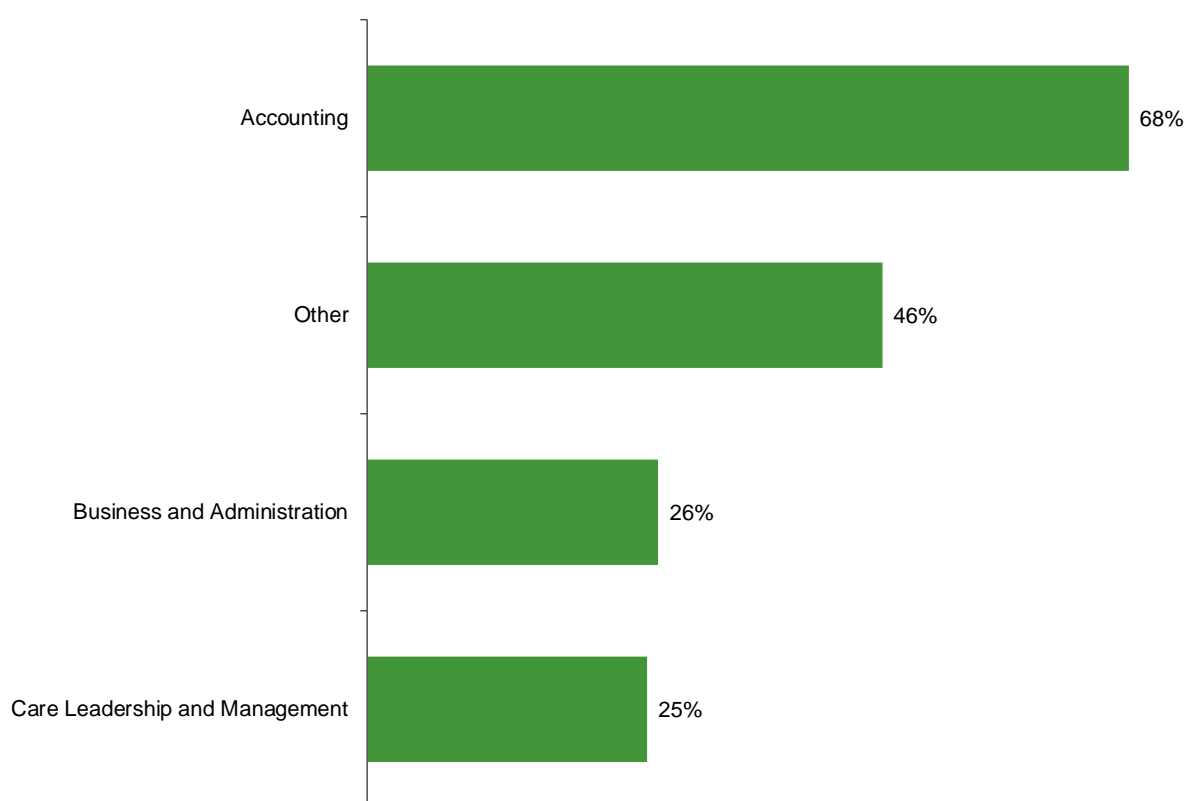
### Provision of formal training

169. As part of their apprenticeship, apprentices are required to spend a minimum number of hours undertaking formal training. Although the Apprenticeship Pay Survey does not aim to separate hours spent training from hours spent working, due to interest in training levels, for the 2016 survey a question was introduced to ask apprentices if they received at least one day per week of formal training. 'One day per week' was selected as being a good approximation of the recommended amount of training, as well as being easy for apprentices to conceptualise during the telephone interview.
170. A third (31 per cent) of Level 4 and Level 5 apprentices in Great Britain stated that they received on average at least one day per week of formal training.
171. Receiving at least a day of formal training per week was more common among men (38 per cent) than women (27 per cent). Those aged 19-20 and 21-24 were the most likely groups to receive formal training (50 per cent and 49 per cent respectively), falling to 26 per cent among those aged 25 or older.

172. Those further along in their apprenticeship were more likely to receive at least a day of formal training per week, with two fifths (39 per cent) of those on the apprenticeship for more than a year stating they did so, compared with a quarter (27 per cent) of those on the apprenticeship for a year or less.

173. There were considerable variations by framework, as shown in Figure 4.3. Spending at least one day per week on average in formal training was significantly more likely among apprentices in Accounting (68 per cent) compared with those on a Care Leadership and Management framework (25 per cent).

**Figure 4.3 Proportion receiving at least one day of formal training per week on average, by framework (Great Britain Level 4 and Level 5)**



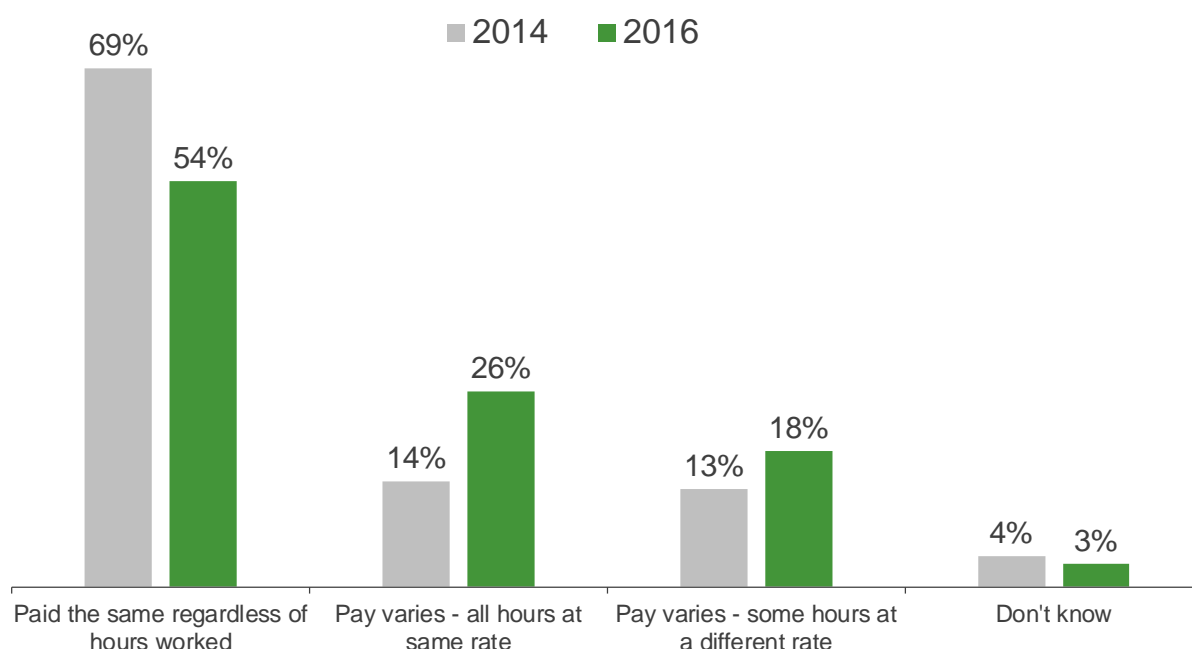
*Base: All Level 4 & Level 5 GB apprentices (range: 395 to 127)*

## Rates of Pay

### Pay arrangements

174. More than half of apprentices (54 per cent) were paid the same total amount each week regardless of the number of hours they worked. Weekly pay varied for more than two-fifths (46 per cent) of apprentices; split between those for whom all hours were paid at the same rate (26 per cent) and those where some hours were paid at a different rate (18 per cent). As Figure 4.4 shows, fewer apprentices in 2016 had a fixed rate of pay compared with 2014 (69 per cent).

**Figure 4.4 Pay arrangements for apprentices in 2016 and 2014 (Level 4 and 5 apprentices across Great Britain)**



Base: All Wales Level 2 and Level 3 apprentices: 2016: (930); 2014: (841)



175. This fall in 2016 compared with 2014 in the proportion paid the same amount each week regardless of the hours worked was found across all frameworks. As Table 4.4 shows, the Other framework saw the biggest reduction in the proportion of apprentices on a fixed rate of pay since 2014 (20 percentage points). The large reduction in the proportion paid a fixed rate of pay was reported across England and Scotland. In contrast, there was a slight increase in the proportion of Level 4 and 5 apprentices on fixed pay in Wales.

**Table 4.4 Proportion paid the same amount regardless of hours worked, by framework (GB Level 4 and 5)**

		Paid the same regardless of hours worked		
	<i>Base (2014 / 2016)</i>	<b>2014 (%)</b>	<b>2016 (%)</b>	<b>Percentage point difference</b>
<b>Country</b>				
England	<i>461 / 562</i>	71	53	-18
Scotland	<i>151 / 182</i>	72	57	-15
Wales	<i>229 / 186</i>	58	62	+4
<b>Framework</b>				
Accounting	<i>235 / 188</i>	87	75	-12
Care Leadership & Management	<i>489 / 395</i>	62	49	-13
Other	<i>117 / 220</i>	75	55	-20
Business and Administration	<i>N/A / 127</i>	N/A	73	N/A
<b>GB Total</b>	<i>814 / 930</i>	69	54	-15

*Base: All GB Level 4 and Level 5 apprentices*

176. In terms of age, apprentices aged 25 or older were less likely to get paid the same rate regardless of hours worked (52 per cent). There was also variation by framework, as illustrated in Table 4.5, with apprentices in the Accounting (75 per cent) and Business and Administration (73 per cent) frameworks more likely than average to be on a fixed rate of pay.

**Table 4.5 Pay arrangements for apprentices by framework and age (Level 4 and Level 5 across Great Britain)**

<i>Row percentages</i>					
	<i>Base</i>		<b>Paid the same amount, irrespective of number of hours</b>	<b>Pay varies – all hours at the same rate</b>	<b>Pay varies – some hours at different rate</b>
<b>Country</b>					
England	562	%	53	24	19
Scotland	182	%	57	22	20
Wales	186	%	62	27	11
<b>Framework</b>					
Accounting	188	%	75	16	6
Business and Administration	127	%	73	12	11
Other	220	%	55	18	22
Care Leadership and Management	395	%	49	30	18
<b>Age</b>					
16-18	21	%	**	**	**
19-20	139	%	61	12	20
21-24	193	%	60	23	14
25+	577	%	52	27	18
<b>GB Total</b>	<b>930</b>	<b>%</b>	<b>54</b>	<b>26</b>	<b>18</b>

*Base: All GB Level 4 and Level 5 apprentices*

*Row percentages do not sum to 100 per cent due to exclusion of “Other” and “Don’t know” responses.*

## Basic Hourly Pay levels

177. The median basic hourly pay for Level 4 and Level 5 apprentices in Great Britain was £9.83, higher than reported in 2014 (£9.68), although the mean basic hourly pay decreased from £11.63 in 2014 to £10.80 in 2016.
178. By framework, Accounting apprentices earned the lowest median hourly pay £7.69 and Care Leadership and Management apprentices highest (£10.29). Median hourly pay increased amongst Accounting apprentices, from £6.94 in 2014 to £7.69 in 2016 (an 11 per cent increase) but fell amongst Other (from £10.44 in 2014 to £9.07 in 2016, a 7 per cent decrease) and Care Leadership and Management (from £10.64 in 2014 to £10.29 in 2016, a three per cent decrease) apprentices.
179. Table 4.6 shows mean and median basic hourly pay by key demographics. Unsurprisingly, pay increases with age, level of apprenticeship and by how long apprentices had been on their course.

**Table 4.6 Basic hourly pay for Level 4 and Level 5 apprentices across Great Britain**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
		£	£
<b>Level</b>			
Level 4	545	9.83	8.89
Level 5	256	11.53	10.56
<b>Gender</b>			
Male	335	11.55	10.56
Female	466	10.29	9.12
<b>Age</b>			
19-20	127	8.09	7.69
21-24	176	8.87	8.11
25+	479	11.58	10.58
<b>Length of time on Apprenticeship</b>			
One year or less	560	10.78	9.77
More than a year	241	10.83	9.95
<b>GB Total</b>	<b>801</b>	<b>10.80</b>	<b>9.83</b>

*Base: these results are based on those for whom it was possible from their survey responses to calculate a gross hourly pay figure.*

*Some sub groups not shown due to low base sizes (fewer than 30)*

## Pay increases

180. Over one third (36 per cent) of apprentices reported that their hourly pay rate had increased during their apprenticeship, higher than in 2014 (29 per cent).  
Unsurprisingly, those who had been on their apprenticeship more than a year were more likely to have had a pay increase compared with those who had been on their course a year or less (52 per cent compared with 26 per cent respectively). Increases in pay were most common among those aged 19-20 and 21-24 (each 64 per cent).
181. Male apprentices were more likely to have received an increase in pay compared with females (44 per cent and 30 per cent respectively).
182. By framework, Care Leadership and Management apprentices were least likely to have reported a pay increase (26 per cent).
183. Amongst those that had experienced a pay increase, 27 per cent reported that this was because they had completed the first year of their apprenticeship (equivalent to 10 per cent of all apprentices); three per cent because they had turned 19 (one per cent of all apprentices); four per cent because they had turned 21 (one per cent of all apprentices); one per cent because they had turned 25 (less than one per cent of all apprentices); and 11 per cent because of the introduction of the National Living Wage (four per cent of all apprentices).
184. This meant that around a quarter of all apprentices (13 per cent) – or 37 per cent of apprentices who had received a pay increase – had experienced a pay increase due to factors that changed their NMW band (i.e. a change in age, year of apprenticeship or introduction of the NLW). It is of course the case that some apprentices may have received a pay increase without knowing the reason(s) why.

**Table 4.7 Whether experienced any pay increases by framework and age (Level 4 and Level 5 apprentices across Great Britain)**

	<i>Proportion experiencing any pay increases</i>		<i>Median hourly pay</i>	
	<i>Base</i>	<i>%</i>	<i>Base</i>	<i>£</i>
<b>Country</b>				
England	562	40	478	9.63
Scotland	182	34	161	10.07
Wales	186	21	162	10.33
<b>Framework</b>				
Accounting	188	79	169	7.69
Other	220	53	192	9.07
Business and Administration	127	39	118	9.85
Care Leadership and Management	395	26	322	10.29
<b>Age</b>				
19-20	139	64	127	7.69
21-24	193	64	176	8.11
25+	577	27	479	10.58
<b>GB Total</b>	<b>930</b>	<b>36</b>	<b>801</b>	<b>9.83</b>

*Base: All GB Level 4 and Level 5 Apprentices / All GB Level 4 and Level 5 apprentices where hourly pay could be calculated*

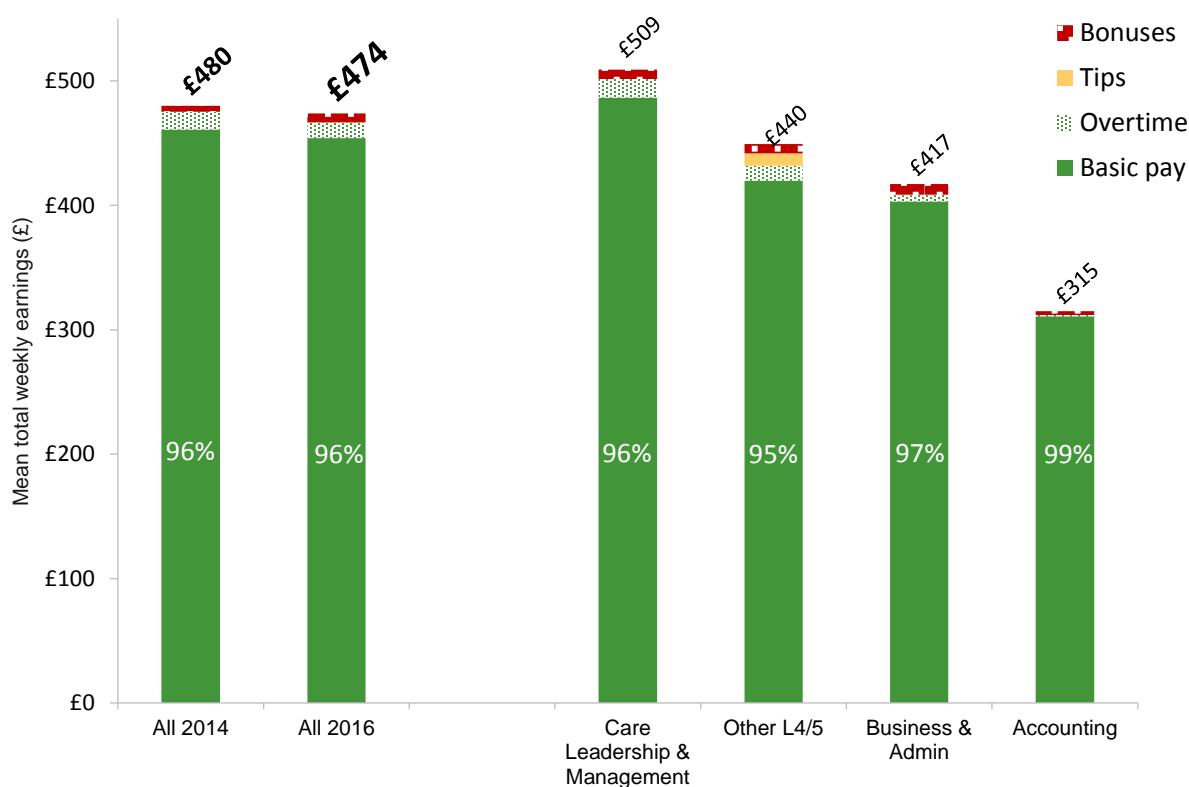
## Total weekly earnings

### Average total weekly earnings

185. Across all Level 4 and 5 apprentices in Great Britain, mean total weekly earnings was £474 (median: £433). The mean total is around the same level as reported in 2014 (£480) but an increase in terms of the median (£413). The total weekly earnings figures include basic pay, pay from overtime, tips from customers and bonuses. The figure is based on Level 4 and 5 apprentices in Great Britain for whom a total weekly earnings figure could be calculated (786).

186. As shown in Figure 4.5, there were variations in the average weekly earnings by framework. As in 2014, earnings were lower than average in the Accounting framework and higher than average in Care Leadership and Management. A complete table of these figures can be found in Appendix A.
187. Level 5 apprentices (mean £524; median £481) had higher weekly earnings than Level 4 apprentices (mean £410; median £361). Male apprentices (mean £516; median £471) earned more than female apprentices (mean £445; median £404).
188. Figure 4.5 also illustrates the composition of total weekly earnings by each individual component: basic pay, overtime, tips from customers and bonuses. As would be expected, basic pay constitutes the greatest proportion of total weekly earnings across all frameworks (an average of 96 per cent – the same as reported in 2014).

**Figure 4.5 Mean total weekly earnings of Level 4 and 5 GB apprentices split by basic pay, overtime, tips and bonuses, and the percentage of the mean total weekly earnings made up by basic pay, by framework<sup>26</sup>**



*Base: All GB L4 and L5 apprentices for whom it was possible to calculate weekly earnings: 2014 (698), 2016 (786)*

### Earnings at basic pay

189. The mean weekly earnings from basic pay – i.e. earnings excluding paid overtime, tips from customers and bonuses – across all Level 4 and 5 apprentices was £456 (median: £415), which is an increase in terms of the median since 2014 (mean £461; median £385). Basic pay accounted for the vast majority of total weekly earnings (96 per cent), which is the same proportion reported in 2014.

190.

<sup>26</sup> Some apprentices are provided with free accommodation, paid at a standard rate which is added to their pay eligible for NMW calculations of total earnings. However, because for others the cost of accommodation is deducted, and because a very low proportion of Level 4 and 5 apprentices were provided with accommodation by their employer (two per cent), this has not been included in Figure 4.5.

191. Table 4.8 details the earnings at basic pay by each of the frameworks.



**Table 4.8 Mean and median total weekly earnings from basic pay for Level 4 and 5 apprentices in Great Britain, by framework**

	<i>Base</i>	<b>Mean</b>	<b>Median</b>
	<i>n</i>	£	£
Care Leadership and Management and Management	312	489	442
Business and Administration	117	403	389
Other 4/5	190	420	359
Accounting	168	311	308
<b>GB Total</b>	<b>787</b>	<b>456</b>	<b>415</b>

*Base: all Level 4 and 5 apprentices for whom it was possible to calculate basic pay*

### Overtime

192. Over two-thirds of Level 4 and 5 apprentices (68 per cent) had worked overtime (either paid or unpaid) for their employer during their apprenticeship; higher than the proportion among Level 2 and 3 apprentices (61 per cent). This is in line with the proportion reported in 2014.
193. Table 4.9 shows that working overtime was most common in the 'Other L4/5' framework grouping – which is comprised of frameworks including IT and web professionals and Manufacturing Engineering – and least common in Accounting.

**Table 4.9 Proportion of Level 4 and 5 apprentices working overtime, by framework**

	<i>Base</i>	<b>Work overtime (paid or unpaid)</b>
		%
Other 4/5	220	72
Care Leadership and Management and Management	395	70
Business and Administration	127	54
Accounting	188	53
<b>GB Total</b>	930	<b>68</b>

*Base: all Level 4 and 5 apprentices*

194. Among apprentices that worked overtime, the mean number of weekly overtime hours (either paid or unpaid) was 7.7 hours (median 5.0 hours). Of those who worked overtime:

- 73 per cent worked less than 10 hours overtime per week;
- 14 per cent worked between 10 and 14 hours; and
- 13 per cent worked 15 or more hours overtime per week.

### Earnings from overtime

195. Over half (56 per cent) of Level 4 and 5 apprentices that had worked overtime were paid for some of the additional hours they worked, whereas 43 per cent were not paid for any of their additional hours (the remaining one per cent did not know whether they were paid for their overtime). These proportions are to those reported in 2014.

196. Fewer than half of the apprentices working overtime on Accounting and Business and Administration frameworks (42 per cent and 48 per cent respectively) were paid for any of their overtime, compared with over half of apprentices on the Care Leadership and Management and 'Other L4/5' frameworks (57 per cent and 60 per cent respectively).

197. Among apprentices that were paid for any of their overtime hours (and were able to state how many paid overtime hours they worked in a typical week), the mean number of paid overtime hours was 10.2 (median: 7.0 hours). Of those who worked paid overtime and could state their hours:

- 66 per cent worked less than 10 hours paid overtime;
- 14 per cent worked between 10 and 14 hours; and

- 19 per cent worked 15 or more hours paid overtime per week.

198. Low base sizes do not allow for sub-group analysis by framework.

199. Among apprentices that were paid for their overtime (and were able to state how much they were paid for this), the median amount earned in a week from overtime was £72 (mean £10).

### Unpaid overtime

200. Of the 43 per cent of Level 4 and 5 apprentices that were not paid for their additional hours (29 per cent of all Level 4 and 5 apprentices), the mean number of unpaid overtime hours worked was 5.3 (median 3.5 hours)<sup>27</sup>.

201. It should be noted that apprentices should be paid for all the hours they work, but there are times where apprentices work longer hours without extra pay. This is referred to in the report as 'unpaid overtime'. Unpaid overtime could be at the choice of the apprentice, or as a result of a request from the employer; the questionnaire did not distinguish between the two<sup>28</sup>.

### Time off in lieu or flexi leave

202. Over half (56 per cent) of Level 4 and 5 apprentices that had worked overtime, either paid or unpaid, were given time off in lieu or flexi leave in return<sup>29</sup>; similar to the 53 per cent reported in 2014.

203. The provision of time off in lieu or flexi leave was highest in the Business and Administration framework (71 per cent). This compares to 58 per cent in Accounting, 55 per cent in Care Leadership and Management, and 52 per cent in 'Other L4/5'.

### Tips from customers

204. Fewer than one per cent of all Level 4 and 5 apprentices received tips from customers. Receipt of tips is, therefore, far less common among higher level apprentices than those on Level 2 and 3 frameworks (seven per cent of whom received tips).

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<sup>27</sup> Some or all of this unpaid overtime could have been taken as flexi leave or as time off in lieu, but the extent to which this occurred was not asked in the survey.

<sup>28</sup> Where an employer has asked the apprentice to work unpaid overtime, this is counted in their total working hours and included in the calculation of their National Minimum Wage rate (discussed in the next chapter). Where the extra hours are the choice of the apprentice, these hours do not count towards their working time; however, their employer does have a responsibility to prevent this from happening.

<sup>29</sup> Apprentices were asked "Do you ever get given time off or flexi leave in return for working overtime?" but the questionnaire did not explore how much of apprentice's unpaid overtime was taken as time off in lieu or as flexi leave.

## Bonuses

205. Around a fifth (19 per cent) of Level 4 and 5 apprentices received bonuses from their employer, in line with the proportion reported in 2014 (18 per cent).

206. Bonuses were more common among:

- Those on Business and Administration (26 per cent) and 'Other L4/5' frameworks (25 per cent).
- Male apprentices (25 per cent, compared with 15 per cent of female apprentices); and
- Level 4 apprentices (23 per cent) compared with 16 per cent of Level 5 apprentices.

207. Among apprentice that received bonuses, the median weekly bonus ) was £23.08 (mean: £41.93); and increase from 2014 (median £15.38; mean £32.31). Table 4.10 details the mean and median weekly bonuses received by framework and country, including comparisons with 2014. At an overall level, as well as within frameworks, there were wide differences between the mean and median figures, indicating that, as in 2014, a small proportion of apprentices received very high bonuses compared with the average.

**Table 4.10 Mean and median weekly bonus for Level 4 and Level 5 apprentices receiving bonuses, by framework**

	<b>2014</b>			<b>2016</b>		
	<i>Base</i>	<b>Mean weekly bonus (£)</b>	<b>Median weekly bonus (£)</b>	<i>Base</i>	<b>Mean weekly bonus (£)</b>	<b>Median weekly bonus (£)</b>
Accounting	56	21.47	9.62	41	14.47	8.25
Business and Administration	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	31	33.38	15.38
Care Leadership and Management and Management	51	41.06	15.38	69	49.72	24.92
Other 4/5	19	**	**	55	36.45	25.00
<b>GB Total</b>	126	<b>32.31</b>	<b>15.38</b>	196	<b>41.93</b>	<b>23.08</b>
England	79	24.13	11.54	115	38.78	23.08
Scotland	32	49.83	38.46	51	43.21	28.85
Wales	15	**	**	30	34.00	28.85

*Base: all Level 4 and 5 apprentices receiving bonuses and able to give a figure for the amount of bonus they receive.*

*\*\*\* denotes a figure not shown because of a low base size (fewer than 30 apprentices)*

## Accommodation

208. The provision of accommodation by an employer to an apprentice is the only benefit in kind which can be taken into account when calculating basic hourly pay in relation to the NMW.

- If accommodation is provided for free, an “offset rate” of £5.35 is added to the apprentice’s wages for each day that the accommodation is provided for
- When an apprentice is charged for accommodation:

If the charge for accommodation is less than the offset rate would have been no deduction is made from the apprentice’s wages

If the charge for accommodation is more than the offset rate would have been, this amount is deducted from the apprentice’s wages.

209. Just two per cent of all Level 4 and 5 apprentices were provided with accommodation, either free or charged for (in line with 2014). One per cent were provided with accommodation free of charge, while one per cent of apprentices were charged for accommodation.

210. It was almost exclusively in the Care Leadership and Management framework where apprentices were provided with accommodation by their employers (three per cent of all apprentices in this framework).

## Compliance with the National Minimum Wage and National Living Wage

211. This section looks at the extent to which the pay of apprentices was compliant with the National Minimum Wage (NMW) or National Living Wage (NLW) rate for their age and year of apprenticeship. Details of how non-compliance is assessed are provided in chapter 2 of the report, in the section entitled 'Compliance / Non-compliance with the National Minimum Wage (NMW) and National Living Wage (NLW)'.
212. As discussed in the Introduction (Chapter 2, paragraphs 30 – 32), pay calculated as non-compliant could reveal genuine or accidental negligence on the part of employers; however, due to the very small margins of error involved in the calculations, some cases of apparent non-compliance could be due to errors or rounding in the reporting of pay and hours figures by apprentices taking part in the research.
213. Based only on those Level 4 and Level 5 apprentices for whom compliance or non-compliance could be calculated given their survey responses<sup>30</sup>, 95 per cent were paid at or above the appropriate NMW or NLW, while five per cent were paid below the appropriate rate. This level of non-compliance is exactly in line with 2014, and, also as in 2014, is considerably lower than the level of non-compliance among Level 2 and Level 3 apprentices in Great Britain (18 per cent).
214. When comparing compliance levels between 2014 and 2016, it is important to note that the lowest NMW rate for apprentices (applying to those aged 16 to 18, and all those in their first year of the apprenticeship) underwent a considerable increase between October 2013 (the rate applicable at the time of the 2014 survey) and October 2015 (the rate applicable for the 2016 survey): the rate increased from £2.68 in October 2013 to £3.30 in October 2015 (a 23 per cent increase). Smaller increases were made between 2013 and 2015 to the minimum rates for 19 to 20 year olds in their second year or later (increasing from £5.03 in 2013 to £5.30 in 2015, a five per cent increase) and for 21 to 24 year olds in their second year or later (from £6.31 to £6.70, a six per cent increase). Additionally, the new NLW rate came into force from April 2016, creating a new minimum rate (£7.20) for all those aged 25 and over and in the second year of their apprenticeship or later.
215. Table 4.11 shows the proportion of apprentices with compliant and non-compliant pay, grouped by age and year of apprenticeship. Despite the changes to the minimum rates, among Level 4 and Level 5 apprentices in Great Britain there were no significant changes in the proportions with compliant pay within each eligibility group.

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<sup>30</sup> An unweighted base of 892

**Table 4.11 Compliance by age and year of apprenticeship in 2014 and 2016 (GB Level 4 and 5)**

		2014				2016		
<i>Row percentages</i>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>		<i>Base</i>	<b>Paid NMW or higher</b>	<b>Paid below NMW</b>
Age 16-18 or in first year of apprenticeship	%	547	99	1	%	624	99	1
Age 19-20 and in second year of apprenticeship	%	41	82	18	%	43	88	12
Age 21-24 and in second year of apprenticeship	%	60	83	17	%	83	79	21
Age 25+ and in second year of apprenticeship	%	155	92	8	%	140	90	10

*Base: All GB Level 4 and Level 5 apprentices for whom compliance / non-compliance could be calculated*

216. Those nearer the beginning of their apprenticeship were less likely to receive non-compliant pay: one per cent of those who had been on their course a year or less were paid less than the appropriate minimum rate, compared with 12 per cent of those who had been on their course for more than a year. Non-compliant pay was also more common among those without a written contract (27 per cent) compared with those with a written contract (four per cent).

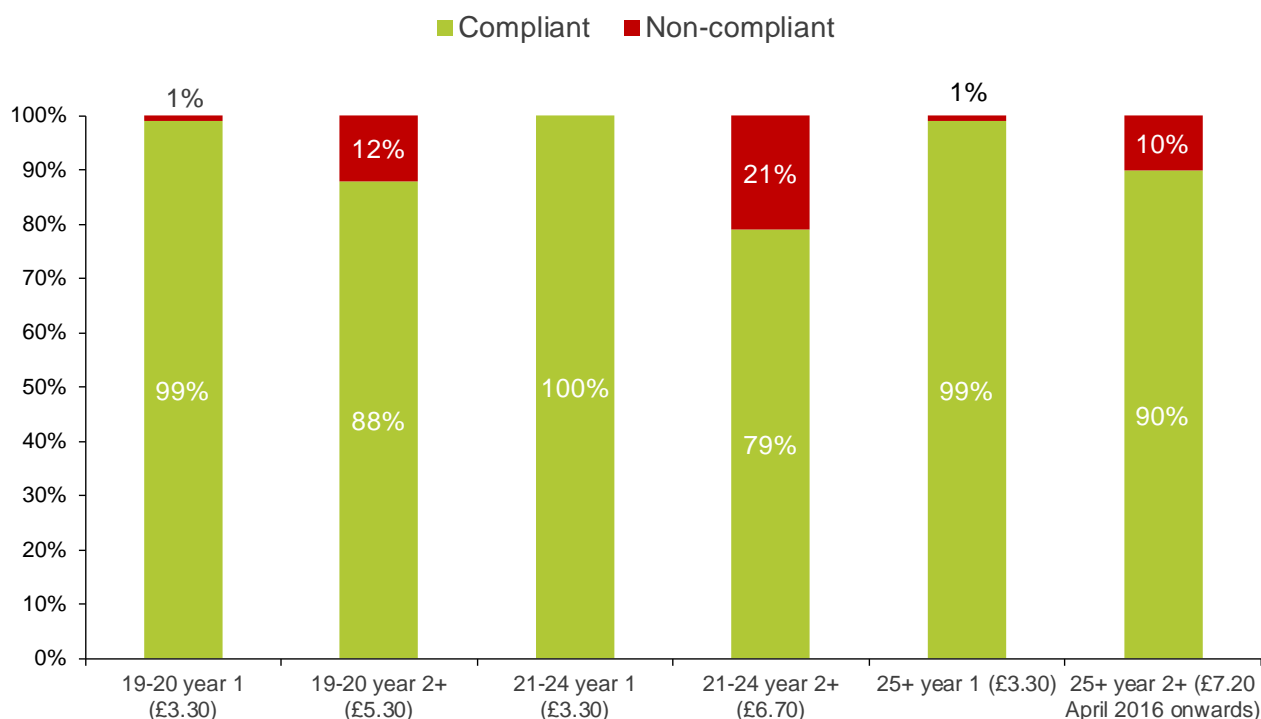
217. Results for compliance by age group combined with year of apprenticeship are shown in Figure 4.6.

218. Those aged 21-24 and in the second year of their apprenticeship or later were the most likely to receive non-compliant pay (21 per cent), followed by those aged 19-20 and in their second year or later (12 per cent) and those aged 25 and over and in the second year of their apprenticeship or later (10 per cent). Those in their first year of the apprenticeship were very unlikely to receive non-compliant pay: one per cent of first years aged 19-20 and first years aged 25 and over did so, while no apprentices in their first year aged 21-24 received non-compliant pay.

219. Figures for those aged 16-18 are not shown, due to the very low base size (only 19 Level 4 and 5 apprentices were aged 16-18).



**Figure 4.6 Compliance by age and year of apprenticeship (GB Level 4 and Level 5 apprentices)**



*Base: All Level 4 & Level 5 GB apprentices for whom a calculation of compliance could be made, by NMW / NLW eligibility (range: 43 to 403)*

220. Table 4.12 and Figure 4.7 show the pay distribution for Level 4 and Level 5 apprentices in Great Britain, also indicating within each pay band the relevant compliance rate. These figures are again based on respondents for whom it was possible to calculate an exact hourly pay figure (801 of the 930 Level 4 and Level 5 apprentices interviewed)<sup>31</sup>.

221. As in 2014, a very small proportion of apprentices were paid £1.50 an hour or less (0.3 per cent). One per cent were paid between £1.51 and £2.67 (below the 2014 minimum rate), and 0.3 per cent were paid between £2.68 and £3.29; the vast majority of these were eligible for the £3.30 minimum.

<sup>31</sup> Note that the different base results in slightly different compliance figures compared to Level 2 and 3 overall: six per cent of those with calculable hourly pay had a non-compliant pay level, compared with five per cent of all Level 4 and 5 apprentices in Great Britain for whom compliance could be calculated.

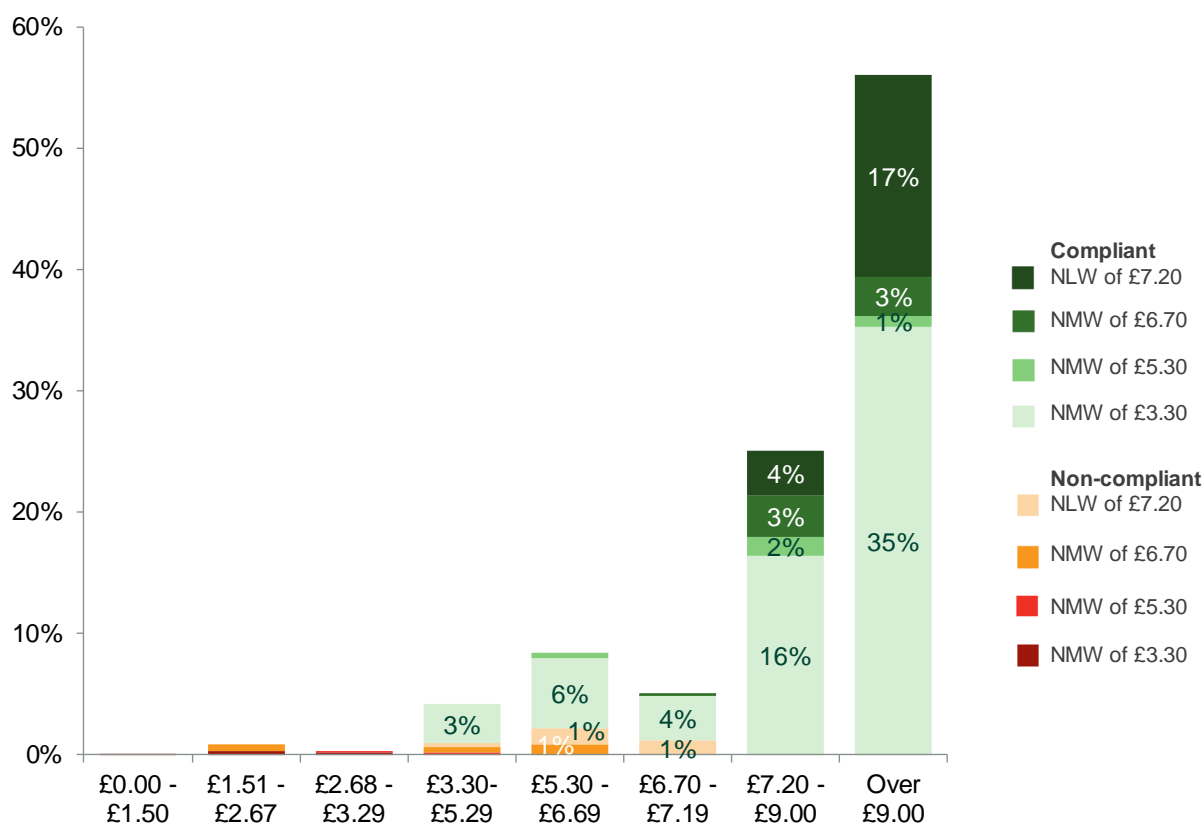
**Table 4.12 Apprentice pay rates and compliance / non-compliance (GB Level 4 and Level 5)**

Proportion of all apprentices in each pay / compliance band								
	£0.00- £1.50	£1.51 - £2.67	£2.68- £3.29	£3.30- £5.29	£5.3- £6.69	£6.70- £7.19	£7.20 - £9.00	Over £9.00
Compliant	N/A	N/A	N/A	3.2	6.1	4.0	25.1	56.0
Non-compliant	0.0	0.8	0.3	1.0	2.3	1.2	N/A	N/A

*Base: All GB Level 4 and Level 5 apprentices with a specific calculated hourly pay figure (801). Each figure is based on the overall base; hence for example 0.3 per cent of all Level 2 and 3 apprentices where an hourly pay figure could be calculated received non-compliant pay of £2.68 to £3.29 an hour.*

222. As well as showing the distribution of hourly pay rates, Figure 4.7 also shows which NMW or NLW rate applied to respondents, and whether the pay was compliant or not. For example, it shows in the final column that one per cent of all apprentices for whom exact hourly pay could be calculated received over £9 an hour while needing a minimum of £5.30 an hour to be compliant, and 35 per cent received over £9 an hour while needing a minimum of £3.30 to be compliant.

**Figure 4.7 Level 4 and Level 5 apprentice pay rates and non-compliance distribution (GB)**



Base: All Level 4 & Level 5 GB apprentices with calculated hourly pay figure (801)

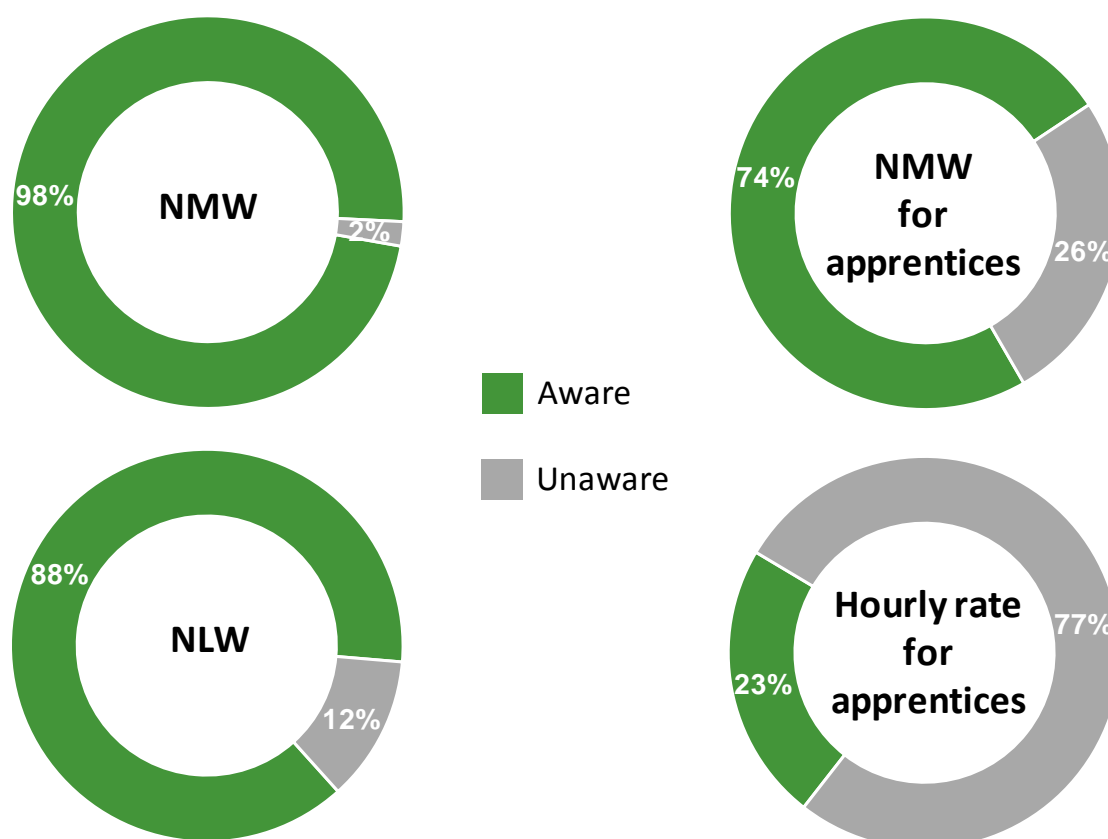
Figures not shown for results of <0.5%

223. Four per cent of all Level 4 and Level 5 apprentices were paid between £3.30 and £5.29; the majority of these (three per cent of all Level 4 and Level 5 apprentices) were eligible for a minimum rate of £3.30, and hence had compliant pay; however small proportions should have been receiving at least £5.30), £6.70 or £7.20 (each fewer than 0.5 per cent of all Level 4 and Level 5 apprentices).
224. A further eight per cent of all apprentices were paid between £5.30 and £6.69 an hour; one per cent should have received at least £6.70 an hour, and another one per cent should have received at least £7.20.
225. Five per cent of all apprentices were paid between £6.70 and £7.19 an hour. One per cent of all apprentices were paid in this range and had non-compliant pay, as they should have received the new NLW of £7.20; prior to the introduction of the NLW in April 2016 this pay would have been compliant, suggesting that the introduction of the NLW has had a small impact on the overall level of non-compliance. Looking just at those eligible for the NLW, in total just over a tenth (12 per cent) had non-compliant pay, five per cent of whom were paid between £6.70 and £7.19, at or above the pre-April 2016 minimum rate.
226. The vast majority (81 per cent) of all Level 4 and Level 5 apprentices were paid at or above the NLW rate of £7.20 an hour.

## Awareness of the Apprentice Rate of National Minimum Wage

227. The vast majority of Level 4 and Level 5 apprentices (98 per cent) had heard of the National Minimum Wage, in line with 2014 (98 per cent), and once again a higher proportion than among Level 2 and Level 3 apprentices (95 per cent).

**Figure 4.8 Awareness of NMW, NLW and hourly rates (GB Level 4 and Level 5)**



*Base: All Level 4 and Level 5 apprentices in GB (930)*

228. Certain groups were less likely to be aware of the NMW:

- Female apprentices (97 per cent) compared with male apprentices (99 per cent)
- Those with non-compliant pay (92 per cent) compared with those with compliant pay (98 per cent)

229. Apprentices were less aware of the National Living Wage, which came into force from 1st April 2016, with 88 per cent saying they had heard of it; nevertheless, awareness of the NLW was higher among Level 4 and Level 5 apprentices than among those on Level 2 and Level 3 provision (72 per cent). Those with non-compliant pay were less likely to have heard of the NLW (70 per cent, compared with 89 per cent of those with compliant pay).

230. Three-quarters (74 per cent) of Level 4 and Level 5 apprentices in Great Britain were aware that there is a National Minimum Wage rate for certain apprentices, in line with 2014, and higher than found among Level 2 and 3 apprentices (66 per cent). Male apprentices on Level 4 and Level 5 provision were more likely to be aware that there is a NMW rate for apprentices (80 per cent) compared with female apprentices (69 per cent).
231. Just under a quarter (23 per cent) of Level 4 and Level 5 apprentices in Great Britain said they knew the minimum hourly rate for apprentices, in line with 2014, but lower than awareness among Level 2 and Level 3 apprentices in 2016 (28 per cent)<sup>32</sup>.
232. By framework, Accounting apprentices were most likely both to be aware of the apprenticeship NMW (87 per cent) and to state that they were aware of the hourly rate (32 per cent). Results are shown in Table 4.13, ranked by awareness of apprenticeship NMW.

**Table 4.13 Awareness of an Apprenticeship NMW and of the NMW hourly rate by framework (GB Level 2 and Level 3 apprentices)**

	<i>Base</i>	<b>Aware of apprenticeship NMW</b>	<b>Aware of hourly rate</b>
	<i>N</i>	%	%
Accounting	188	87	32*
Business and Administration	127	82	28
Other Level 4/5	220	74	24
Care Leadership and Management	395	71	22
<b>GB Total</b>	930	<b>74</b>	<b>23</b>

<sup>32</sup> Note that while apprentices were asked if they knew the minimum hourly rate, this knowledge was not tested (i.e. they were not asked to give the hourly figure as part of the interview).

## Appendix A: Supplementary Tables

**Table A1: Breakdown of total mean weekly earnings, by framework (GB Level 2 and 3)**

	Base	Total weekly earnings	Basic Pay	Overtime	Tips	Bonuses
	n	£	£	£	£	£
Business and related	726	254	246	3	*	6
Children's Care	371	213	206	4	-	2
Construction and related	822	272	260	9	*	6
Customer Service	391	305	286	11	1	7
Electrotechnical	439	297	291	29	*	5
Engineering, Manufacturing Technologies and related	1,199	313	289	18	*	5
Hairdressing	458	173	161	1	9	2
Health, Social Care and Sport	946	275	253	22	*	*
Hospitality and Catering	460	264	246	12	6	1
Management	506	411	387	19	1	5
Retail	540	284	267	13	1	3
Other 2/3	313	236	231	4	*	1
<b>GB Total</b>	<b>7,171</b>	<b>282</b>	<b>265</b>	<b>14</b>	<b>1</b>	<b>3</b>

Base: All Level 2 and 3 apprentices in GB for whom it was possible to calculate total weekly earnings

‘\*’ denotes a figure greater than zero but less than £0.50 and ‘-’ denotes a figure of zero.

**Table A5: Breakdown of total weekly earnings, by framework (GB Level 4 and 5)**

	Base	Total weekly earnings	Basic Pay	Overtime	Tips	Bonuses
	n	£	£	£	£	£
Accounting	168	315	311	1	-	3
Business and Administration	117	417	403	5	*	8
Care Leadership and Management	311	509	487	15	*	8
Other 4/5	190	440	420	12	10	8
<b>GB Total</b>	<b>786</b>	<b>474</b>	<b>461</b>	<b>12</b>	<b>*</b>	<b>7</b>
England Total	469	468	448	13	-	7
Scotland Total	158	602	552	33	2	14
Wales Total	159	460	445	12	*	3

*Base: All Level 4 and 5 GB apprentices for whom it was possible to calculate total weekly earnings.*

*‘\*’ denotes a figure greater than zero but less than £0.50 and ‘-’ denotes a figure of zero.*

# Appendix B: Methodology

## Summary

1. The survey was conducted by telephone from IFF's telephone centre in London. Fieldwork took place from 9 June 2016 to 25 July 2016, and 9,422 interviews with apprentices were conducted.
2. Sample was drawn from three different national sample frames: the Individualised Learner Record (ILR) in England, the Corporate Training System in Scotland; and the Lifelong Learning Wales Record in Wales.
3. The sample was drawn on an interlocking framework by level grid within each country, separately for Level 2 / Level 3 apprentices, and then for Level 4 / 5 apprentices.
4. A total of 12 framework categories were used for Level 2 and Level 3 apprentices, while for higher apprentices four categories were used.
5. In total 36,218 names were loaded. Within each cell of the framework by level, once the target number of interviews had been agreed, the sample was drawn at random from the available sample with telephone numbers.
6. A letter introducing the survey was sent to all respondents prior to them being called. For those in Wales the letter was sent in English and Welsh. A copy of the letter can be found at Appendix C.

## The profile of apprentices

7. Table B1 shows the proportion of interviews achieved in each country by level and framework.



**Table B1: Demographic profile of apprentices**

	<b>Level 2/3</b>	<b>Level 4/5</b>	<b>Trailblazers</b>
<i>Base: all</i>	8,308	930	184
	%	%	%
<b>Age</b>			
16-18	16	1	17
19-20	21	7	42
21-24	22	15	26
25+	41	77	15
<b>Gender</b>			
Male	53	39	82
Female	47	61	18
<b>Ethnicity</b>			
White	90	87	84
Asian / Asian British	3	2	5
Black / Black British	1	2	1
Mixed	4	5	5
Other	2	3	4
<b>Country</b>			
England	91	60	100
Scotland	6	20	n/a
Wales	4	20	n/a

**Table B2: Profile of Level 2 and 3 apprentices by framework**

	England	Scotland	Wales
<b>L2 and 3 Frameworks:</b>	%	%	%
Business and related	12	8	9
Children's Care	5	N/A	6
Construction and related	5	30	11
Customer Service	5	2	4
Electrotechnical	3	N/A	6
Engineering, Manufacturing Technologies and related	18	25	16
Hairdressing	3	4	5
Health, Social Care and Sport	22	13	25
Hospitality and Catering	6	7	5
Management	7	2	6
Retail	7	7	4
Other 2/3	7	5	4
<b>Base: all</b>	<b>4,963</b>	<b>1,552</b>	<b>1,793</b>

**Table B3: Profile of Level 4 and 5 apprentices by framework**

	England	Scotland	Wales
<b>L4 and 5 Frameworks</b>			
Accounting	8	1	2
Business and Administration	9	1	7
Care Leadership and Management and Management	66	42	85
Other 4/5	17	56	7
<b>Base all:</b>	<b>562</b>	<b>182</b>	<b>186</b>

## Sampling

### Sourcing the sample

- Sample was drawn from three databases: the ILR (England), the Lifelong Learning Wales Records (Wales) and the Corporate Training System (Scotland).

### Sample verification

- On receipt of sample from the three respective sources, the first stage was a 'cleaning' exercise. This entailed de-duplication (multiple entries in aims files), and exclusion of those not wanting to be contacted for research (where these details were supplied).
- Records were removed where individuals were recorded as having completed their Apprenticeship, as well as those where their planned completion date was before the start of the fieldwork period. In addition, records with no telephone number were also excluded.

### Sample stratification

- The sample was drawn in such a way as to achieve the desired interview target structure. That is to say, the sample was drawn on a stratified basis to achieve a desired profile of apprentices, though no quotas targets were imposed. Rather, from the drawn sample, as many interviews as possible were sought.
- Sample stratification was undertaken via the following steps / stages:

- 1) Within each country, sample was split into framework categories. For Level 2 and Level 3 apprentices, 12 broad frameworks were used: Business Administration; Children's Care; Construction; Customer Service; Electrotechnical; Engineering; Hairdressing; Health and Social Care; Hospitality and Catering; Management; Retail; and Other. For Level 4 and Level 5 apprentices, four framework categories were used: Accounting; Business and Administration; Care Leadership and Management; and Other.
- 2) Within country, half the Level 2/3 interviews were split equally across framework, and then half in proportion to the number of apprentices undertaking each. Within framework, interviews were then split between Level 2 and 3 proportionate to the population. This ensured that more interviews would be undertaken in larger frameworks, but the smaller frameworks would still receive more interviews than if the allocation to framework were strictly proportional. The same process was undertaken to provide an initial allocation of the Level 4/5 interviews.
- 3) Finally, a number of small adjustments were implemented to ensure that all Frameworks would be allocated a minimum number of interviews, as well as boosting the number of interviews sought in those Frameworks where pay levels are most closely clustered to the Apprentice Rate (in order to maximise the robustness of findings relating to compliance / non-compliance).

### Sampling fractions

13. Rather than applying 'blanket' sampling fractions across all stratification cells, we took into account previous conversion rates (interviews achieved as a proportion of sample drawn) in each framework-by-level cell to maximise efficiency when drawing sample.
14. To ensure representativeness, within country and framework category, sample was ordered – first by level, then by age, year of study and gender – before being drawn in the required volumes on a 1-in-n basis.
15. In total 36,218 records were initially drawn and loaded.

### Advanced letters

16. A letter introducing the survey was sent to all respondents prior to them being called. For those in Wales the letter was sent in English and Welsh. A copy of the letter can be found at Appendix C.

## The response rate

17. Interviews were achieved with a quarter (26 per cent) of the starting sample. This was higher in Wales (30 per cent) and lowest in England (25 per cent). The response rate excluding ineligible contacts (unobtainable numbers and wrong numbers, and those saying they had completed their Apprenticeship, or had no recall of undertaking an Apprenticeship) was 39 per cent, rising to 41 per cent in Wales.

**Table B6: Response rates**

	<b>GB</b>	<b>England</b>	<b>Scotland</b>	<b>Wales</b>
Total sample loaded	36,218	22,877	6,742	6,599
Screened out of survey (Apprenticeship completed or no recall of undertaking an Apprenticeship)	4,068	2,947	640	481
Wrong number / invalid telephone number	8,028	4,904	1,828	1,296
<i>Sample excluding screen outs and wrong numbers / dead lines</i>	<i>24,122</i>	<i>15,026</i>	<i>4,274</i>	<i>4,822</i>
Still live at the end of fieldwork	11,089	6,856	1,939	2,294
Refused	1,939	1,342	314	283
Completed interviews	9,423	5,710	1,734	1,979
<b>Completed interviews as a % of loaded sample</b>	<b>26%</b>	<b>25%</b>	<b>26%</b>	<b>30%</b>
<b>Completed interviews as a % of 'sample loaded sample excluding screen outs and wrong numbers / dead lines'</b>	<b>39%</b>	<b>38%</b>	<b>41%</b>	<b>41%</b>

## Weighting

18. Weights were applied to the final data to ensure that findings are representative of the total apprentice population.
19. A three-stage approach to weighting was adopted:

### Stage 1) Corrective weighting

20. The first stage of weighting accounted for the sample design which intentionally sampled various groups disproportionately. In other words, this stage accounted for the different probabilities of selection created by the sampling approach.
21. Reflecting the sampling approach adopted, this first stage involved weighting by level within broad framework.

## Stage 2) Non-response weighting

22. Even though within each cell of the sampling grid sample is selected randomly, the first stage of weighting does not guarantee the correct demographic profile of respondents. In light of this, a second stage of weighting was then required to rectify different response rates across different key groups.
23. More specifically, within each country, rim weights were applied to ensure the achieved sample profile matched the population by gender, age and year of study.

## Stage 3) Grossing

24. Finally, a “grossing” factor was applied, so that the weighted data delivers volumetric findings based on the entire apprentice population.

## Great Britain and Country weights

25. Following the approach outlined above, two sets of weights were derived.
26. The first was a ‘Great Britain’ weight that has been applied for all GB-wide analysis throughout the report. This was constructed based on GB-wide apprentice populations (level within framework), with rim weights for age, gender, year of Apprenticeship and country.
27. The second was a ‘country’ weight, applied for country-specific analysis throughout the report. Within country these weights were based on level within framework, with rim weights for age, gender and year of Apprenticeship. As very few interviews were achieved in the Level 2 Electrotechnical framework in Wales, Level 2 Electrotechnical was weighted with Level 2 Engineering and Manufacturing Technologies.
28. In Scotland, as there had been changes to the Modern Apprenticeship (MA) frameworks, this meant the population of learners in the Children's Learning and Development and Well Being framework and Electrotechnical framework were very low; therefore in Scotland these frameworks were subsumed within Health, Social Care and Sport and Engineering and Manufacturing Technologies respectively.

## Net to Gross Pay Conversion Calculation

29. In order to convert net pay to gross, deductions for income tax and National Insurance needed to be added onto the net pay figure. Income tax and National Insurance are calculated on gross earnings above the earnings threshold: in 2016, this was £212 a week for income tax, and £155 a week for National Insurance.
30. For the purposes of these calculations, we have assumed that all apprentices earning above the thresholds will be paying income tax / NI at the basic rate; income tax this was 20%, and for National Insurance this was 12%.
31. Other possible deductions (such as student loan or pension payments) were not taken into account as these were not covered by the survey. Therefore, it is possible

in some cases that the calculated gross pay figure could be below the actual gross pay figure. Prior to conversion, all net pay figures given at question E5 were first converted to weekly as follows:

Original pay period	Calculation for 'NET_WEEK_COMBINED'
Annual	$E5\_year / \text{number of weeks worked in year (A4A)}$
Monthly	$(E5\_month * 12) / \text{number of weeks worked in year (A4A)}$
Four weekly	$E5\_fourweek / 4$
Fortnightly	$E5\_fortnight / 2$
Weekly	<i>No calculation applied</i>
Daily	$E5\_daily * 5$ (a five day working week was assumed)
Hourly	$E5\_hour * \text{weekly hours worked}$

The following formulas were then applied:

Weekly pay	Calculation
Weekly pay > £212	$\text{Gross pay} = (((\text{NET\_WEEK\_COMBINED} - (212 * 0.2)) - (155 * 0.12)) / (1 - 0.2 - 0.12))$
Weekly pay £155 - £212	$\text{Gross pay} = ((\text{NET\_WEEK\_COMBINED} - (155 * 0.12)) / (1 - 0.12))$
Weekly pay < £155	$\text{Gross pay} = \text{NET\_WEEK\_COMBINED}$

## Gross Hourly Pay Conversion

32. For the purpose of establishing compliance with the National Minimum Wage, all pay figures had to be converted to a gross hourly figure in accordance with the standards for calculating National Minimum Wage.
33. The following elements were included when calculating the gross hourly pay figure:
  - Pay, though excluding any overtime paid at a higher rate. Tips and bonuses have not been included
  - Hours that apprentices work and train, including unpaid overtime and overtime paid at the standard rate (overtime paid at a higher rate is excluded)
  - Accommodation provision and charges.

34. Initially, reported pay figures were adjusted to subtract any pay that was paid at a higher rate, as this is not eligible for inclusion towards the National Minimum Wage; at the same time, hours were adjusted to account for overtime: any hours that were paid at a higher rate were subtracted, while unpaid overtime hours were added.
35. Then, all the adjusted pay figures were converted to a basic weekly pay figure, while hours worked were also converted to a final weekly figure, using the following calculations:

Original pay period	Calculation for Basic Weekly Gross Pay	Calculation for Final Weekly Hours
Annual	Adjusted_pay_year / Number of weeks worked (A4A)	<i>Not applicable</i>
Monthly	(Adjusted_pay_month * 12) / Number of weeks worked (A4A)	(Adjusted_hours_month * 12) / Number of weeks worked (A4A)
Four weekly	Adjusted_pay_fourweek / 4	Adjusted_hours_fourweek / 4
Fortnightly	Adjusted_pay_fortnight / 2	Adjusted_hours_fortnight / 2
Weekly	<i>No calculation applied</i>	<i>No calculation applied</i>
Daily	Adjusted_pay_daily * 5 (a five day working week was assumed)	<i>Not applicable</i>
Hourly	Adjusted_pay_hourly * number of hours worked per week	<i>Not applicable</i>

36. Where applicable, the accommodation offset rate was applied to the basic weekly pay figures. If accommodation was free, the offset rate of £5.35 per day the accommodation was lived in (up to £37.45 for 7 days a week) was added to the basic weekly pay figure to give a final weekly pay figure.
37. If accommodation was charged for, but at a rate less than or equal to £5.35 per day, no change was made to basic weekly pay, and the figure was carried forwards to final weekly pay. If accommodation was charged for at a rate above £5.35 per day, the difference was subtracted from basic weekly pay to give the final weekly pay figure.
38. Finally, the gross hourly pay figure was derived by dividing the final weekly pay figure by the final weekly number of hours.



# Appendix C: The questionnaire

Apprenticeship Pay Survey 2016

J5636

Date 18/7/17

Telephone

## Sample variables used in script:

Respondent name	
Course name	
Provider name	
Employer name	
Start date	MONTH / YEAR
Sample indicates that been doing the Apprenticeship for less than a year	Yes / No
Planned completion date	MONTH / YEAR
Higher Apprenticeship	Yes / No
Country	England, Scotland or Wales
Disability flag	Yes / No
Has DOB in sample flag	Yes / No
DOB from sample	DD/MM/YYYY
Age from sample	Calculate from DOB

## S Screener

ASK PERSON WHO ANSWERS PHONE

S1 **Good morning / afternoon / evening. My name is <NAME> and I'm calling from IFF Research. Please can I speak to <RESPONDENT NAME>?**

Respondent answers phone	1	CONTINUE
Transferred to respondent	2	
Hard appointment	3	MAKE APPOINTMENT
Soft Appointment	4	
No reply / Answer phone	5	CALL BACK
Engaged	6	
Named person moved and new number known (COLLECT)	7	CALL NEW NUMBER
Named person moved and number NOT known	8	CLOSE
Never heard of the named person	9	
Not available in deadline	10	
Fax Line	11	
Business Number	12	
Dead line	13	
Re-send advance letter via email	15	Collect email address (input required twice for check)

WHEN TALKING TO NAMED RESPONDENT

**S2 Good morning / afternoon, my name is <NAME> calling from IFF Research, an independent market research company. We're doing a short survey for the Department for Business, Innovation and Skills <IF WALES: and the Welsh Government> <IF SCOTLAND: and the Scottish Government> about learning and training, hours of work, and pay.**

ADD IF NECESSARY: You may be aware that the Department for Business, Innovation and Skills was recently changed to become the Department for Business, Energy and Industrial Strategy.

**You should have received a letter in the post explaining what the survey is about. As the letter stated, you might find it useful to have a payslip or your contract with you as I will be asking some questions relating to your pay and this will help you give accurate answers. These questions are so we can understand whether employers are conforming to rules relating to fair pay.**

**The survey should only take 10 minutes. Would now be a good time for you to answer a few questions?**

[IF WELSH SAMPLE]: INTERVIEWER NOTE: *IF RESPONDENT REQUESTS AN INTERVIEW IN WELSH, SELECT CONTINUE AND CHOOSE S2A=1.*

*INTERVIEWER ADD IF NECESSARY:*

We are not trying to sell you anything. We are only collecting information about training courses, work and pay. Your feedback is extremely important as it will help to inform Government policy on fair pay and national pay reviews which could benefit employees.

Your employer will not be informed by us that you have taken part in the survey.

The Department for Business, Innovation and Skills is the Government department in charge of in-work learning and training in England. The Department was recently changed to become the Department for Business, Energy and Industrial Strategy.

The Skills Funding Agency is the Government agency responsible for funding in-work learning and training in England.

The Welsh Government and the Scottish Government provide funding for in-work learning and training in Wales and Scotland.

Yes	1	CONTINUE
Hard appointment	2	MAKE APPOINTMENT
Soft appointment	3	
Refusal (NOTE ANY COMMENTS)	4	THANK AND CLOSE
Re-send advance letter via email	5	Collect email address (input required twice for check)

ASK IF HARD OR SOFT APPOINTMENT SELECTED (S2=2/3) AND WELSH SAMPLE

S2A **Would you prefer us to call you back in Welsh or English?**

<b>Welsh</b>	1	<b>“One of our Welsh speaking interviewers will call back in the next one or two working days to make an appointment with you.”</b> THANK AND CLOSE
<b>English</b>	2	CONTINUE TO APPOINTMENT SCREEN

ASK IF WELSH LANGUAGE CALLBACK

S2WELSH **Good morning / afternoon, my name is NAME, calling from IFF Research, an independent market research company.**

**One of our interviewers called you recently about the Apprenticeship Pay Survey we are conducting on behalf of the Department for Business, Innovation and Skills and the Welsh Government. You said you would like to be called back in Welsh.**

**Would now be a good time to do the interview?**

**IF NOT: When would be a suitable time to conduct the interview with you?**

Continue	1	CONTINUE TO S3
Hard appointment	2	MAKE APPOINTMENT
Soft appointment	3	
Refusal (NOTE ANY COMMENTS)	4	THANK AND CLOSE

S3 **INTERVIEWER NOTE:**

FINE TO CONTINUE	1	CHECK S6
LANGUAGE DIFFICULTIES	2	GO TO S4
RESPONDENT MAY HAVE LEARNING DIFFICULTIES, HEARING OR SPEECH IMPAIRMENT, OR OTHER DISABILITY WHICH IS MAKING THE INTERVIEW DIFFICULT TO CONDUCT:	3	GO TO S5

ASK ALL

S3a **Please note, this call may be recorded for quality or training purposes.**

ASK IF LANGUAGE DIFFICULTIES (S3=2)

S4 **Is there someone who would be able to interpret for you or to answer the questions on your behalf?**

Yes – but this person not currently available	1	ARRANGE TO CALL BACK TO CONDUCT INTERVIEW WHEN PROXY IS AROUND (NOTE NAME OF PERSON AND TIME & DATE TO CALL BACK)
Yes – this person available now	2	ASK TO SPEAK TO THIS PERSON; THEN RE-INTRODUCE THE SURVEY AND PROCEED WITH THE INTERVIEW
No (INTERVIEWER: NOTE LANGUAGE REQUIRED)	3	THANK AND CLOSE

ASK IF RESPONDENT MAY HAVE LEARNING DIFFICULTIES, HEARING OR SPEECH IMPAIRMENT, OR OTHER DISABILITY WHICH IS MAKING THE INTERVIEW DIFFICULT TO CONDUCT (S3=3)

S5 **Is there someone who would be able to answer the questions on your behalf?**

IF HARD OF HEARING: **would you prefer to conduct the interview using Type Talk?**

Yes – but this person not currently available	1	ARRANGE TO CALL BACK TO CONDUCT INTERVIEW WHEN PROXY IS AROUND (NOTE NAME OF PERSON AND TIME & DATE TO CALL BACK)
Yes – this person available now	2	ASK TO SPEAK TO THIS PERSON; THEN RE-INTRODUCE THE SURVEY AND PROCEED WITH THE INTERVIEW
Yes –prefer to conduct the interview using Type Talk	3	ARRANGE SUITABLE TIME
No (INTERVIEWER: NOTE THE ISSUE)	4	THANK AND CLOSE

- S6 ASK WELSH SAMPLE AND SAID CONTINUE AT S2 (S2=1)  
**Before I start with the main interview, can I just check, would you prefer to be interviewed in English or in Welsh?**

Prefer English	1	CONTINUE IN ENGLISH
Prefer Welsh	2	CONTINUE IN WELSH VERSION (IF WELSH SPEAKER) OR SAY WILL BE CALLED BACK SOON BY ONE OF OUR WELSH SPEAKING INTERVIEWERS
Don't mind	3	CONTINUE IN ENGLISH IF ENGLISH SPEAKER  OR IN WELSH IF WELSH SPEAKER

- T1 ASK ALL  
**We are contacting you because we understand that you are currently involved in a course or training in <COURSENAME FROM SAMPLE>. Can I check are you still doing this course or training? [SINGLE CODE]**

Yes - still doing the course / training	1	CONTINUE TO A1
No, doing a different course / training	2	ASK T3
No – finished or left that that course / training early	3	THANK AND CLOSE
No, did a different course / training (no longer on it)	4	THANK AND CLOSE
No, have not done any course / training	5	ASK T2
Not started the course / training yet	6	THANK AND CLOSE

IF CODE 5 AT T1 AND PROVIDER NAME OR EMPLOYER NAME ON THE SAMPLE

- T2 **As we understood it this was with [IF ONE OR OTHER OF PROVIDER NAME OR EMPLOYER NAME KNOWN: <PROVIDER NAME> <EMPLOYER NAME>] [IF BOTH PROVIDER NAME AND EMPLOYER NAME KNOWN: <PROVIDER NAME> and the employer was <EMPLOYER NAME>]. [IF PENDDATE IS JUNE 2016 OR LATER: It was due to end in <PLANNED END DATE>.] Which of the following applies...**

READ OUT. SINGLE CODE.

I am currently doing this course / training, even if with a different provider or employer	1	CONTINUE TO A1
I recall it now but I'm no longer doing the course (e.g. because you completed it or left it early)	2	THANK AND CLOSE
I never started the course	3	
I've no recollection of the course	4	

IF CODE 2 AT T1

T3 What is the subject of the course or training that you are currently undertaking?

WRITE IN

IF CODE 2 AT T1

T3a Is this a level <INSERT LEVEL OF COURSE FROM SAMPLE> course?

Yes	1	ASK T3c
No	2	ASK T3b
Don't know	3	ASK T3c

IF CODE 2 AT T3A OR IF TRAILBLAZER APPRENTICESHIP (LEVEL ON SAMPLE = "TRAILBLAZER")

T3b [IF T3A=2: What [ENGLAND AND WALES: NVQ] [SCOTLAND: SVQ] level is it ...]

[IF TRAILBLAZER: What level NVQ is the course, it it...]

READ OUT AND CODE ONE ONLY

Level 2	2	ASK T3c
Level 3	3	

Level 4	4	
Level 5	5	
Level 6	8	
Level 7	9	
(DO NOT READ OUT) It doesn't have a level	6	THANK AND CLOSE
(DO NOT READ OUT) Level 1 / entry level	7	THANK AND CLOSE
(DO NOT READ OUT) Don't know	X	ASK T3c

IF CODE 2 AT T1

**T3c And can I check does it involve some time with an employer, and some receiving formal training. You may have been told it is an Apprenticeship.**

Yes	1	ASK A1
No	2	THANK AND CLOSE
(DO NOT READ OUT) Don't know	3	



**REASSURANCES TO USE IF NECESSARY**

- The interview will take around 10 minutes to complete.
- The interview is completely confidential and we will not inform your employer that you have taken part in the research
- Please note that all data will be reported in aggregate form and your answers will not be reported to our client in any way that would allow you to be identified.
- Your personal details will not be passed on to a third party without first seeking express permission.
- All personal information and pay related information will be used for analysis purposes and will not be linked directly to you or your employer
- If respondent wishes to confirm validity of survey or get more information about aims and objectives, they can call:
  - **MRS: Market Research Society on 0500396999**
  - **IFF: Tariq Oozeerally or Sam Selner on 0207 250 3035**
  - **BIS: Bryan Halka: 0207 215 5876**
  - **[IF SCOTLAND SAMPLE]: Scottish Government – Stuart King 0300 244 6786**
  - **[IF WALES SAMPLE]: Welsh Government – Claire McCloy 01443 663711**

## A Course or training undertaken

ASK IF EMPLOYER NAME IS PROVIDED ON THE SAMPLE (OTHERS ASK A2)

- A1 **According to [ENGLAND: the Skill Funding Agency's] [SCOTLAND: Skills Development Scotland's] [WALES: the Welsh Government's] records we were supplied with, you are undertaking this course/training whilst working for <TEXT SUB: EMPLOYER FROM SAMPLE>. Can I check, is this correct?**

IF NO: PROBE WHETHER WITH EMPLOYER WHEN STARTED THE COURSE BUT HAVE SINCE CHANGED EMPLOYER OR DID NOT WORK FOR STATED EMPLOYER

Yes	1	ASK A3
No – that was the employer I started the course or training with but I am no longer with this employer / changed employer	2	ASK A1a
No – did not work for them. Training / course being done with a different employer	3	ASK A1a
I am not employed whilst doing this course/training	4	THANK AND CLOSE
Don't know / refused	X	ASK A3

IF NO AT A1 (A1=2 OR 3)

- A1a **What is the name of the employer you are working for?**

WRITE IN		
Don't know / refused	X	

ASK IF NO EMPLOYER NAME ON THE SAMPLE

- A2 **What is the name of the employer you are working for while doing this course or training?**

WRITE IN		
I am not employed (whilst doing this course/training)	3	THANK AND CLOSE
Don't know / refused	X	

ASK ALL

- A3 **Do you have a written contract of employment with this employer?**

Yes	1	
No	2	
Don't know	3	

IF HAVE WRITTEN CONTRACT (A3=1)

A4 **Are you contracted to work for the full year or only part of each year?**

*ADD IF NECESSARY: FOR EXAMPLE, YOU MAY BE EMPLOYED SEASONALLY OR WORK IN A SCHOOL WHERE YOU ARE MAY CONTRACTED TO WORK DURING TERM TIME.*

*NOTE: if they say the contract is due to end shortly this does not mean the answer should therefore be part of the year.*

Full year	1	
Part of the year	2	
Don't know	X	

WORK ONLY PART OF THE YEAR (A4=2)

A4a **How many weeks a year are you contracted to work?**

WRITE IN (RANGE 1-51)		
Don't know / refused	X	

ASK ALL

A5 **Thinking about your employment, which one of the following best applies...? READ OUT AND CODE ONE ONLY**

You have a permanent job with no fixed end date	1
You will be employed for the duration of your training only	2
You have a fixed end date for your employment which is after the date you expect to complete your training	3
Or some other arrangement(SPECIFY)	0
(DO NOT READ OUT) Don't know	X

ASK ALL

- A6 **According to <IF ENGLAND: the Skills Funding Agency's> <IF WALES: the Welsh Government's> <IF SCOTLAND: Skill Development Scotland's> records, you started this course/training around <insert START DATE (MONTH AND YEAR) from sample>? Is that correct?**

Yes	1	
No	2	
Don't know / cant's remember	3	

ASK IF DIFFERENT START DATE TO SAMPLE (A6=2)

- A7 **Approximately when did you start this course/training? CODE MONTH AND YEAR**

January	1
February	2
March	3
April	4
May	5
June	6
July	7
August	8
September	9
October	10
November	11
December	12
Can't remember month	13

*FOR YEAR USE*

2016	7
2015	8
2014	1
2013	2
2012	3
2011	4
Earlier	5
Can't remember year	6

PROGRAMMER: whether been doing the Apprenticeship for less than a year?DUMMY QA

A year or less	(A6 = 1 or X) & (Sample indicates a year or less)  Or  A6=2 & [(A7 (YEAR = 2016) OR (Year = 2015 and current i.e. interview month same month or earlier than A7 month))]
More than a year	Not the above

PROGRAMMER: NOTE FOR SUBSEQUENT TEXT SUBSTITUTIONDUMMY Q1

Course name	FROM SAMPLE UNLESS T3 ANSWERED (IN WHICH CASE TAKE T3 ANSWER)
Current employer name	FROM SAMPLE UNLESS A1a OR A2 ANSWERED IF EMPLOYER NAME REFUSED / DON'T KNOW SUBSTITUTE 'your employer'

## B Employment circumstances

ASK ALL

- B1 **Thinking of the employer you were working for when you started the <INSERT COURSE NAME FROM DUMMY Q1> course or training, had you already been working for them when you started the course or training?**

Yes	1	
No	2	
Can't remember	X	

- B2 **THERE IS NO B2**

ASK IF WORKED FOR EMPLOYER BEFORE COURSE/TRAINING (B1=1)

- B3 **Did your pay increase, decrease or stay the same as a direct result of starting your <INSERT COURSE NAME FROM DUMMY Q1> course / training?**

*SINGLE CODE.*

Increase	1
Decrease	2
Stayed the same	3
Changed but not as a direct result of starting the course	4
Can't remember	X

- B4 **THERE IS NO B4**

ASK ALL

- B5 **Can you tell me if you are aged...READ OUT**

[IF ASKED: this is just to help us understand some of your later answers]

16-18	1
19-20	2

21-24	3
Or 25 or older	4
(DO NOT READ OUT) Refused	V

PROGRAMMER: Dummy variable "AGE AND YEAR"

Aged 16-18	B5=1 or age on sample 16-18	<i>Apprenticeship NMW applies (£3.30 per hour)</i>
Aged 19+ and in first year of Apprenticeship	((B5=2, 3 or 4) or (age on sample 19+) & (answers from A6/A7 indicate < 1 year))	<i>Apprenticeship NMW applies (£3.30 per hour)</i>
19+ and in second+ year of Apprenticeship	((B5=2, 3 or 4) or (age on sample 19+) & (answers from A6/A7 indicate 1 year plus))	<i>Relevant NMW is not Apprenticeship NMW</i>
Aged refused	Age unknown on sample and B5=V	

## C Payslip, pay and hours

ASK ALL

- C1 I am now going to ask you some questions about your pay and hours of work. For these questions, I am asking specifically about any pay you get from <INSERT EMPLOYER NAME FROM DUMMY Q1>, and not for any second jobs you might have. First can you tell me, do you always get paid the same amount each week, or does this vary depending on how many hours you work?

SINGLE CODE

Always get the same amount each week	1
It varies depending on the hours worked	2
Don't know	3



IF VARIES DEPENDING ON THE HOURS WORKED (C1=2)

- C2 **Are all the hours that you work paid at the same rate, or do you get a higher hourly rate for some hours, for example for working overtime, at weekends etc.?**

SINGLE CODE

All paid at the same rate	1
Some paid at a different rate	2
Don't know	3

ASK ALL

- C3 READ OUT. SINGLE CODE.

	Yes	No	Don't know
<b>a) Do you have a set number of hours you are contracted to work each week?</b>	1	2	3
IF YES AT C3 a): <b>b) How many hours a week is this?</b>	(allow decimals)		3
ASK ALL <b>c) Do you ever work overtime - by this we mean any time paid or unpaid in addition to what you consider to be your [IF C3_a=2/3: normal] [IF C3_a=1: contracted] working hours?</b>	1	2	3
IF YES at C3 c) <b>d) Is any of this overtime or additional hours paid?</b>	1	2	3
ASK ALL <b>e) Do you receive any bonuses, commissions or tips</b>	1	2	3
<b>f) Do you receive payslips from your employer?</b>	1	2	3
IF YES AT C3 f) <b>g) Do you have a recent payslip to hand now?</b>	1	2	3
IF NO / DON'T KNOW AT C3 g) <b>h) Would it be possible for you to get one now to assist your answers when I come to ask pay-related questions? We would strongly encourage you to use a payslip if possible, to help you answer the pay-related questions easily and quickly.</b> INTERVIEWER NOTE: ONLY CODE YES ONCE RETURN WITH ONE	1	2	3

IF C1=1 & C3D=1

C3a **Can I just check, you mentioned that you get paid the same amount each week, but that you also sometimes do paid overtime. Are these both right?**

Yes	1	IF SO FORCE C1 = 2 AND ASK C2, THEN CONTINUE
No	2	AMEND EITHER C1 OR C3d

**IF PAYSリップ AVAILABLE (C3g =1 OR C3h=1) – IF NOT GO TO SECTION D**

C4 I'd like to ask you a few questions about your pay. What month and year does this payslip cover?

**INTERVIEWER NOTE:** Payslip might not cover the full month (i.e. it might be weekly). We are asking them to tell us "which year and month is the payslip from."

DS NOTE YEAR CODES TO REMAIN CONSISTENT WITH 2014 SURVEY, BUT SHOULD BE SHOWN IN ORDER 2016 THRU '2012 OR EARLIER' ON SCREEN

MONTH		YEAR	
January	1	2016	5
February	2	2015	6
March	3	2014	1
April	4	2013	2
May	5	2012 or earlier	3
June	6	Don't know	4
July	7		
August	8		
September	9		
October	10		
November	11		
December	12		
Don't know month	X		

IF (AGED 25+ (FROM SAMPLE OR B5=4) AND PAYSリップ FROM MARCH 2016 OR EARLIER) OR (AGED UNDER 25 (FROM SAMPLE OR B5=1-3) AND PAYSリップ FROM SEPTEMBER 2015 OR EARLIER)

C4b Do you have a more recent payslip available?

Yes	1	<b>DS: Show following message "Please ask respondent to use the most recent payslip they have to hand, if available" and then RE-ASK C4</b>
No	2	IF PAYSIP FROM 2014 OR EARLIER (C4_2=1-3) OR DK YEAR (C4_2=4) GO TO SECTION D  ALL OTHERS CONTINUE

IF PAYSIP AVAILABLE AND IN DATE (C3 G=1) OR (C3 H=1) AND (C4\_2=5-6)

C5 **And does the payslip cover a week, a fortnight, four weeks, a month, or some other period?**

Week	1	
Fortnight	2	
4 weeks	3	
Month	4	
Other (SPECIFY)	5	
Don't know	X	GO TO D1

IF (PAYSIP MONTH=APRIL (C4\_1=4) AND YEAR IS 2016 (C4\_2=5) AND RESPONDENT AGED 25+ (AGE FROM SAMPLE>24 OR B5=4))

C5c **Did the period covered by the payslip start before 1<sup>st</sup> April 2016?**

INTERVIEWER NOTE: E.G. SPANNING END OF MARCH / BEGINNING OF APRIL

Yes	1	DS: SET C4_1 AS 3 (MARCH)
No	2	CONTINUE

IF PAID SAME AMOUNT EACH WEEK AND HAS PAYSリップ [(C1=1) & (C3g =1 OR C3h=1) ] (OTHERS CHECK TO NEXT UNDERLINED HEADING – C11)

- C6 Looking at the payslip what is the **GROSS** pay shown, by this I mean the figure **BEFORE** tax, national insurance and any other deductions. [IF C3E=1: Please exclude bonuses, commissions or tips].

	Weekly	Fortnightly	Four weekly	Monthly	Other
	Allow decimals	Allow decimals	Allow decimals	Allow decimals	Allow decimals
<b>EXACT FIGURE:</b>	£_____	£_____	£_____	£_____	£_____
Don't know *	X	X	X	X	X
Refused *	V	V	V	V	V

IF GIVE AN EXACT FIGURE AT C6

- C7 And can I just check this figure is per <ANSWER FROM C5>?

Yes	1
No – the figure is monthly	2
No – the figure is 4 weekly	3
No – the figure is fortnightly	4
No – the figure is weekly	5
No – the figure is annual	6
Other (SPECIFY)	0

IF PAID SAME AMOUNT EACH WEEK AND HAS PAYSリップ [(C1=1) & (C3g =1 OR C3h=1)

- C8 Thinking about the period covered by the payslip, how many hours **A WEEK** did you spend **working for** <INSERT NAME OF EMPLOYER FROM DUMMY Q1> **EXCLUDING** unpaid meal breaks [IF EVER DO OVERTIME (C3c=1): **but including any unpaid overtime**]

*IF VARIED EACH WEEK ACROSS THE PERIOD ON THE PAYSリップ ASK FOR A WEEKLY AVERAGE ACROSS THE PERIOD*

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE.*

WRITE IN _____ / HOURS A WEEK (Data programmers: allow decimals)	
DON'T KNOW * .....X	

*SOFT CHECK: INTERVIEWER TO RECONFIRM HOURS IF LESS THAN 10 OR OVER 50*

**Just to confirm, I've recorded that in the period covered by the payslip you worked [C8 INTEGER] hours PER WEEK. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question C8.	2	RE-ASK C8

*HARD CHECK: MORE THAN 100 HOURS NOT PERMISSIBLE*

IF PAID SAME AMOUNT EACH WEEK AND HAS PAYSLIP [(C1=1) & (C3g =1 OR C3h=1)]

- C9 **We are also interested in the amount of time each week you spend attending college; on courses, workshops or training sessions at your employer's premises or held externally; learning at home; learning from workbooks; with your assessor, or filling in your portfolio.**

**In addition to the <TEXT SUB IF C8 ANSWERED AS A NUMBER: C8> hours per week you worked, in the time period covered by the payslip how many hours per week, if any, did you spend training or on guided learning as part of your <INSERT COURSE NAME FROM DUMMY Q1> course?**

[So if you said you work 35 hours a week and during this time you spend 1 hour filling in your portfolio, please do not include this hour, as you've already accounted for it]

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 3-5 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN ADDITIONAL HOURS A WEEK TRAINING(Data programmers: allow decimals)

DON'T KNOW \* .....X

*SOFT CHECK IF C9=0.1-4.9 OR C9>50:*

**Just to confirm, I've recorded that in the period covered by the payslip you spent [C9 INTEGER] hours PER WEEK on training or guided learning activities and these hours are in addition to your working hours. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question C9.	2	RE-ASK C9

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

ASK ALL WHERE SPECIFIC NUMBERS GIVEN AT C8 & C9

- C10 **Can I just check, in the period covered by the payslip, you spent a total of <SUM OF C8 + C9> hours working and training EACH WEEK [IF EVER DO OVERTIME (C3c=1; including any unpaid overtime.] Is that correct?**

**INTERVIEWER NOTE: We are looking for the hours they do EACH WEEK and not the total number of hours covered by the payslip**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask questions C8 and C9.	2	RE-ASK C8 TO C9

IF PAYSHEET AND PAY VARIES DEPENDING ON HOURS WORKED (C1=2 OR X) AND (C3G=1 OR C3H=1)

- C11 **Looking at the payslip what is the TOTAL GROSS pay shown, by this I mean the figure BEFORE tax, national insurance and any other deductions. [IF OVERTIME EVER PAID C3d=1: Please include any PAID overtime] [IF C3e=1: Please exclude bonuses, commissions or tips]?**

	Weekly	Fortnightly	Four weekly	Monthly	Other
	Allow decimals	Allow decimals	Allow decimals	Allow decimals	Allow decimals
<b>EXACT FIGURE:</b>	£_____	£_____	£_____	£_____	£_____
Don't know *	X	X	X	X	X
Refused *	V	V	V	V	V

IF GIVE AN EXACT FIGURE AT C11

- C12 **And can I just check this figure is per <ANSWER FROM C5>?**

Yes	1
No – the figure is monthly	2
No – the figure is 4 weekly	3
No – the figure is fortnightly	4
No – the figure is weekly	5
No – the figure is annual	6
Other (SPECIFY)	0



IF PAYSリップ AND PAY VARIES DEPENDING ON HOURS WORKED (C1=2 OR X) AND (C3G=1 OR C3H=1)

C13 Does the payslip show the number of hours worked, on which this pay is based?

Yes	1	
No / can't see it	2	

IF YES (C13=1)

C14 What is the TOTAL number of hours shown on the payslip? (IF OVERTIME EVER PAID (C3d=1) Please include any paid overtime)

WRITE IN (Data programmers: allow decimals)	
DON'T KNOW * .....X	

SOFT CHECK IF PAYSリップ WEEKLY (C5=1) AND (C14<10 OR C14>50):

**Just to confirm, your payslip shows that you worked [INSERT INTEGER FROM C14] hours FOR A SINGLE WEEK. Is that correct?**

HARD CHECK IF PAYSリップ WEEKLY (C5=1): MORE THAN 100 HOURS NOT PERMISSIBLE

SOFT CHECK IF PAYSリップ FORTNIGHTLY (C5=2) AND (C14<20 OR C14>100):

**Just to confirm, your payslip shows that you worked [INSERT INTEGER FROM C14] hours over a FORTNIGHTLY PERIOD. Is that correct?**

HARD CHECK IF PAYSリップ FORTNIGHTLY (C5=2): MORE THAN 200 HOURS NOT PERMISSIBLE

SOFT CHECK IF PAYSリップ FOUR WEEKLY (C5=3) AND (C14<40 OR >200):

**Just to confirm, your payslip shows that you worked [INSERT INTEGER FROM C14] hours OVER A FOUR WEEK PERIOD. Is that correct?**

HARD CHECK IF PAYSリップ FOUR WEEKLY (C5=3): MORE THAN 400 HOURS NOT PERMISSIBLE

SOFT CHECK IF PAYSリップ MONTHLY OR OTHER (C5=4 OR 5) AND (C14<40 OR C14>215):

**Just to confirm, I've recorded that you worked [INSERT INTEGER FROM C14] hours over the time period covered by the payslip. Is that correct?**

HARD CHECK IF PAYSリップ MONTHLY OR OTHER (C5=4 OR 5): MORE THAN 430 HOURS NOT PERMISSIBLE

IF GIVE AN EXACT FIGURE AT C14

C15 **And can I just check is this the number of hours for the <ANSWER FROM C5>?**

Yes	1
No – the figure is monthly	2
No – the figure is 4 weekly	3
No – the figure is fortnightly	4
No – the figure is weekly	5
No – the figure is annual	6
Other (SPECIFY)	0

IF HOURS NOT ON PAYSリップ (C13=2)

C16 **Thinking about the period covered by the payslip, how many hours A WEEK did you spend working for <INSERT NAME OF EMPLOYER FROM DUMMY Q1> EXCLUDING unpaid meal breaks [IF EVER OVERTIME (C3c=1: but including paid over time or additional hours?**

*IF VARIED EACH WEEK ACROSS THE PERIOD ON THE PAYSリップ ASK FOR A WEEKLY AVERAGE ACROSS THE PERIOD*

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE.*

WRITE IN _____ / HOURS A WEEK (Data programmers: allow decimals)	
DON'T KNOW * .....X	

*SOFT CHECK IF C16<10 OR C16>50:*

**Just to confirm, I've recorded that in the period covered by the payslip you worked [C16 INTEGER] hours PER WEEK. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question C16.	2	RE-ASK C16

*HARD CHECK: MORE THAN 100 HOURS NOT PERMISSIBLE*

IF PAYSリップ AND PAY VARIES DEPENDING ON HOURS WORKED (C1=2 OR X) AND (C3G=1 OR C3H=1

- C17 **We are also interested in the amount of time each week you spend attending college; on courses, workshops or training sessions at your employer's premises or held externally; learning at home; learning from workbooks; with your assessor, or filling in your portfolio.**

**In ADDITION to the <TEXT SUB IF EXACT ANSWER AT C14 and GIVEN AS WEEKLY [C5=1]) OR C16: THE NUMBER AT C14 OR C16 hours per week you worked that you just mentioned>, <TEXT SUB IF C14 NOT GIVEN WEEKLY [C5 NOT=1]: hours shown on your payslip> in the time period covered by the payslip how many hours PER WEEK, if any, did you spend training or on guided learning as part of your <INSERT COURSE NAME> course?**

**ADD IF NECESSARY: So if you said you work 35 hours a week and during this time you spend 1 hour filling in your portfolio, please do not include this hour, as you've already accounted for it.**

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 3-5 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN ADDITIONAL HOURS A WEEK TRAINING(Data programmers: allow decimals)

DON'T KNOW \* .....X

*SOFT CHECK IF C17<5 OR C17>50:*

- C17chk **Just to confirm, I've recorded that in the period covered by the payslip you spent [C17 INTEGER] hours PER WEEK on training or guided learning activities and these hours are in addition to your working hours. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question C17.	2	RE-ASK C17

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

*HARD CHECK SUM OF C1 AND C2: 0 IS NOT PERMISSIBLE. 100 MORE HOURS NOT PERMISSIBLE*

- C18 **Can I just check, in the period covered by the payslip, you spent a total of approximately <SUM OF C14 IF WEEKLY/C16 + C17> hours working and training each week [IF EVER DO OVERTIME:, including any paid overtime.] Is that correct?**

Yes	1	
No	2	RE-ASK C14 – C17

IF PAYSHEET AND PAY VARIES DEPENDING ON HOURS WORKED (C1=2 OR X) AND (C3G=1 OR C3H=1)

- C19 **Thinking about the total** [IF ANSWERED C14: INTEGER GIVEN AT C14] [IF ANSWERED C16: INTEGER GIVEN AT C16] **hours you worked, were any of these paid at a higher rate than your standard rate?**

Yes	1	
No	2	
Don't know*	3	ASK D1

IF C19 = 1 (YES TO EXTRA HOURS AT THE HIGHER RATE)

- C20 [IF ANSWERED C16: **In the period covered by the payslip, how many hours a WEEK on average were you paid at a higher rate than your normal rate?**] [IF ANSWERED C14: **How many of the hours shown on your payslip were paid at a higher rate than your normal rate?**]

WRITE IN NUMBER OF HIGHER RATE HOURS (Data programmers: allow decimals)	
(ANSWER MUST BE LESS THAN C14 / C16 ANSWER)	
DON'T KNOW *.....X	

IF C19 = 1 (YES TO EXTRA HOURS AT THE HIGHER RATE)

- C21 **What is the higher hourly rate at which you are paid? Please answer in gross terms i.e. before tax, NI and other deductions.**

[IF SAYS VARIES ASK THE HIGHER RATE PAID MOST OFTEN]

(NB RECORD THE TOTAL RATE NOT THE INCREMENT OVER THE STANDARD RATE)

£ _____ per hour (ALLOW DECIMALS)	1
Other (SPECIFY)	2
Don't know	X

IF PAYSHEET AND PAY VARIES DEPENDING ON HOURS WORKED (C1=2 OR X) AND (C3G=1 OR C3H=1)

C22 **In the period covered by the payslip, did you work any extra hours for which you were NOT paid?**

Yes	1	
No	2	
Don't know*	3	ASK D1

IF "WORKED EXTRA UNPAID HOURS (C22=1)

C23 **Approximately how many hours was this? <IF ANSWERED C16: Please give the figure per week>.**

ADD IF NECESSARY: **It is fine to give a best estimate.**

WRITE IN NUMBER OF UNPAID HOURS (Data programmers: allow decimals)	
DON'T KNOW * .....X	

## D Non-payslip pay and hours

SectionD_DUM:	
1 (Yes)	<p>IF:</p> <ul style="list-style-type: none"> <li>• “No payslip” (C3f=2 OR 3) or (C3h= 2 OR 3); OR</li> <li>• “Has payslip but don’t know if pay varies each week” (C1=3) [i.e. those with payslip but not asked either C6 or C11]; OR</li> <li>• “Has payslip but don’t know the time period the payslip covers” (C5=X); OR</li> <li>• “Has payslip and get paid same amount each week but DK or REF at”: <ul style="list-style-type: none"> <li>○ C6; or</li> <li>○ C8; or</li> <li>○ C9; OR</li> </ul> </li> <li>• “Has payslip and pay varies depending on hours worked but DK or REF at”: <ul style="list-style-type: none"> <li>○ C11; or</li> <li>○ C14; or</li> <li>○ C16; or</li> <li>○ C17; or</li> <li>○ C19; or</li> <li>○ C20; or</li> <li>○ C22; or</li> <li>○ C23.</li> </ul> </li> <li>• “Has payslip but not recent payslip”: <ul style="list-style-type: none"> <li>○ C4b=2 and C4_2=1-3</li> <li>○ C4_2=4 (DK)</li> </ul> </li> </ul>
2 (No)	All those not covered in above definition.

ASK IF SECTIOND\_DUM=1

- D1 [IF C5=1-5: **Moving away from what is noted on the payslip**] [IF C4b=2: **We need to know about your *recent* hours and pay, so moving away from what is noted on the payslip,**] I am now going to ask you about the weekly hours you spend working for <INSERT NAME OF EMPLOYER FROM DUMMY Q1>. Thinking about your last full working week, so not a week where you had paid leave or were on sick leave, how many hours did you spend working - please **EXCLUDE** unpaid meal breaks [IF EVER DO OVERTIME ADD (C3c=1): and overtime. By overtime we mean any work time paid or unpaid in addition to what you consider to be your normal working hours.]

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 35-40 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN _____ / HOURS A WEEK (Data programmers: allow decimals)	
DON'T KNOW .....X	

*SOFT CHECK IF D1<10 OR D1>50:*

**Just to confirm, I've recorded that you worked [D1 INTEGER] hours during your last full working week. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D1.	2	RE-ASK D1

*HARD CHECK: MORE THAN 100 HOURS NOT PERMISSIBLE*

ASK IF SECTIOND\_DUM=1

**D2 We are also interested in the amount of time each week you spend attending college; on courses, workshops or training sessions at your employer's premises or held externally; learning at home; learning from workbooks; with your assessor; or filling in your portfolio.**

**In addition to the <TEXT SUB: NUMBER OF HOURS FROM D1> hours you worked that you just mentioned, how many ADDITIONAL hours, if any, in the last full working week did you spend training or on guided learning as part of your <INSERT COURSE NAME FROM DUMMY Q1> course or training.**

[So if you said you work 35 hours a week and during this time you spend 1 hour filling in your portfolio, please do not include this hour, as you've already accounted for it]

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 3-5 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN ADDITIONAL HOURS A WEEK TRAINING(Data programmers: allow decimals)	
DON'T KNOW.....X	

*SOFT CHECK IF D2<5 OR D2>50:*

**Just to confirm, I've recorded that during your last full working week you spent [D2 INTEGER] hours on training or guided learning activities and these hours are in addition to your working hours during that week. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D2.	2	RE-ASK D2

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

*HARD CHECK SUM OF C18 AND C19: 0 IS NOT PERMISSIBLE. 100 MORE HOURS NOT PERMISSIBLE*

IF GAVE NUMBER ANSWERS AT D1 AND D2

- D3 **Can I just check, in total you spent <SUM OF D1 and D2> working and training in your last full week [IF EVER DO OVERTIME (C3c=1):, excluding any overtime]. Is that correct?**

Yes	1	
No	2	RE-ASK D1 AND D2

ASK IF YES AT D3

- D4 **Would you say that this is the usual number of hours you spend working and training in a typical week, [IF EVER DO OVERTIME (C3c=1): excluding any overtime]?**

Yes	1	
No	2	
Don't know / don't really have a typical week	X	

ASK IF NOT TYPICAL WEEK (D4=2 OR X) OR IF DON'T KNOW AT D1 OR D2

- D5 **Excluding unpaid meal breaks [IF EVER DO OVERTIME (C3c=1): and overtime], how many hours in total do you usually spend working for <EMPLOYER NAME FROM DUMM Q1> and on training or on guided learning during a typical full working week.**

**Training or guided learning as part of your <COURSE NAME FROM DUMMY Q1> course or training could include attending college, courses, workshops or training sessions at your employer's premises or held externally, learning at home, learning from workbooks, time with your assessor, and time filling in a portfolio.**

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 35-40 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN	/ HOURS A WEEK (ALLOW DECIMALS)
DON'T KNOW / IT VARIES TOO MUCH	

*SOFT CHECK IF D5<10 OR D5>50:*



**Just to confirm, I've recorded that during a typical full working week you spend a total of [D5 INTEGER] hours, which includes any working hours as well as hours on training or guided learning. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D5.	2	RE-ASK D5

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

ASK IF UNABLE TO GIVE A TOTAL NUMBER OF USUAL WORKING/ TRAINING HOURS (D5 = DON'T KNOW / IT VARIES TO MUCH)

- D6 Thinking about the last month or so, how many hours a WEEK ON AVERAGE have you spent working, training or on guided learning. Please exclude unpaid meal breaks [IF EVER DO OVERTIME (C3c=1): and any overtime].**

WRITE IN	/ HOURS A WEEK (ALLOW DECIMALS)
Don't know	X

IF DON'T KNOW – PROMPT WITH RANGES [ALL RESPONDENTS WHERE AN EXACT ANSWER GIVEN INTERVIEWER TO CODE RANGE AND CHECK CONSISTENT]

Less than 10 hours a week	1	40-45	8
10-14	2	46-50	9
15-20	3	51-59	10
21-25	4	60-69	11
26-29	5	70+ hours a week	12
30-34	6	Don't know	X
35-39	7		

*SOFT CHECK: INTERVIEWER TO RECONFIRM HOURS IF LESS THAN 10 OR OVER 50*

**Just to confirm, I've recorded that over the last month you spent, on average, [D6 INTEGER] hours PER WEEK working, training or on guided learning. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D6.	2	RE-ASK D6

*HARD CHECK: 0 IS NOT PERMISSIBLE. 100 MORE HOURS NOT PERMISSIBLE*

IF EVER DO OVERTIME (C3 C=1) AND SECTIOND\_DUM=1

- D7 **You said earlier that you sometimes do overtime. Thinking about your last full working week, did you spend any hours doing overtime for <EMPLOYER NAME AT DUMMY Q1> i.e. paid or unpaid hours in addition to what you consider to be your normal working hours?**

Yes	1	
No	2	
Don't know	3	

ASK IF DID OVERTIME (D7=1)

- D8 **How many hours did you spend working overtime in your last full working week? (i.e. paid or unpaid hours in addition to what you consider to be your normal working hours).**

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 35-40 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN _____ / HOURS A WEEK (ALLOW DECIMALS)	
DON'T KNOW ...X	

*SOFT CHECK IF D8<10 OR D8>50:*

**Just to confirm, I've recorded that in your last full working week you worked [D6 INTEGER] hours OVERTIME. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D8.	2	RE-ASK D8

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

IF EVER DO OVERTIME (C3 C=1) AND SECTIOND\_DUM=1

- D9 **Would you say this is the usual number of hours you spend working overtime in a typical week with <EMPLOYER NAME FROM DUMMY Q1>?**

Yes	1	
No	2	
Don't know	X	

ASK IF NOT TYPICAL WEEK (D9=2 OR X)

- D10 **How many hours would you usually spend working overtime during a typical full working week? [i.e. paid or unpaid hours in addition to what you consider to be your normal working hours]**

*IF DON'T KNOW PLEASE ASK RESPONDENT TO PROVIDE BEST ESTIMATE. IF RANGE PROVIDED I.E. 35-40 HOURS, PLEASE PROBE FOR EXACT FIGURE.*

WRITE IN _____ / HOURS A WEEK	
DON'T KNOW / IT VARIES TO MUCH...X	

*SOFT CHECK IF D10<10 OR D10>50:*

**Just to confirm, I've recorded that during a typical full working week you usually work [D10 INTEGER] hours OVERTIME. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D10.	2	RE-ASK D10

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

*DP: ALLOW FOR DECIMAL HOURS*

ASK IF UNABLE TO GIVE USUAL HOURS WORKING OVERTIME (D10 = X)

**D11 Thinking about the last four weeks, how many hours a WEEK ON AVERAGE did you spend working overtime?**

[SO IF IN THE LAST 4 WEEKS – 8,0,0,0 hours overtime answer would be 2]

WRITE IN / HOURS A WEEK	
Don't know	X

*SOFT CHECK IF D11<10 OR D11>50:*

**Just to confirm, over the last four weeks on average PER WEEK you worked [D11 INTEGER] hours OVERTIME. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D11.	2	RE-ASK D11

*HARD CHECK: 100 MORE HOURS NOT PERMISSIBLE*

*DP: ALLOW FOR DECIMAL HOURS*

IF DON'T KNOW – PROMPT WITH RANGES [ALL RESPONDENTS WHERE AN EXACT ANSWER GIVEN INTERVIEWER TO CODE RANGE AND CHECK CONSISTENT]

None	1	20-24 hours a week	9
1-2 hours a week of overtime on average	2	25-29 hours a week	10
3-4 hours a week	3	30-34 hours a week	11
5-6 hours a week	4	35-39 hours a week	12
7-8 hours a week	5	40-49 hours a week	13
9-10 hours a week	6	50+ hours a week	14
11-14 hours a week	7	Don't know	X
15-19 hours a week	8		

DUMMY VARIABLE: D1\_TOT\_USUALHRS – ALLOW DECIMALS / NO ROUNDING

PROGRAMMER NOTE: NEED TO CALCULATE TOTAL “USUAL” HOURS GIVEN FOR WORKING/TRAINING AND “USUAL” OVERTIME (IF DO OVERTIME):

USUAL WORKING HOURS:

IF YES AT D4:

USUAL WORKING HOURS = SUM OF D1 AND D2

IF NO/DON'T KNOW AT D4:

USUAL WORKING HOURS = ANSWER GIVEN AT EITHER D5 OR D6

PLUS (IF EVER DO OVERTIME, C3C=1)

USUAL OVERTIME:

IF YES AT D9

USUAL OVERTIME = ANSWER AT D8

IF NO/DON'T KNOW AT D9

USUAL OVERTIME = ANSWER GIVEN AT EITHER D10 OR D11

ASK IF ASKED D1, EXCEPT IF RANGE GIVEN AT D6 OR D11 (D6RAN=1-13 OR D11RAN=1-15)

D12 **So can I just check, based on your responses, in a typical week, you would usually spend <D1\_TOT\_USUALHRS> hours working and training, including all paid and unpaid overtime? Does that seem accurate?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question D1.	2	RE-ASK FROM D1

## E Pay, bonuses and tips

NON-PAYSLIP RESPONDENTS (IE EXCLUDE IF FULLY ANSWERED C6 TO C11) – OTHERS ASK E10

- E1 **I am going to ask you a few questions about your pay. Ideally we are interested in your gross pay - by which I mean how much you get paid BEFORE any deductions for tax, national insurance or any other deductions. Are you able to answer in terms of your gross pay?**

Yes – can answer gross pay (before deductions)	1	
No – can only answer NET pay (take-home pay)	2	
Refused	X	

ASK ALL ANSWERING ABOUT GROSS PAY (E1=1)

- E2 **Would it be easier to give your gross pay with an...?**

Annual figure	1	
Monthly	2	
Four weekly / every four weeks	3	
Fortnightly	4	
Weekly	5	
Daily	6	
Hourly	7	
Refused to answer about pay [INTERVIEWER TRY AND PERSUADE BY SAYING THEY CAN ANSWER IN RANGES NOT WITH A SPECIFIC RESPONSE]	V	

ASK IF CAN ANSWER FOR SPECIFIC PERIOD (E2=1 - 7)

- E3 **Excluding any payments for [IF EVER DO OVERTIME (C3c=1): overtime], bonuses, commissions or tips, what is your GROSS pay per <ANSWER FROM E2> - again by gross I mean how much you get paid BEFORE any deductions for tax or national insurance?**

WRITE IN EXACT IF GIVEN AND RANGE (CATI CHECK THE TWO CONSISTENT – IF NOT RE-ASK). IF DON'T KNOW PROMPT WITH RELEVANT RANGES.

	Annual	Monthly	Four weekly	Fortnightly	Weekly	Daily	Hourly
						Allow decimals	Allow decimals
<b>EXACT FIGURE:</b>	£_____	£_____	£_____	£_____	£_____	£_____	£_____
Don't know	X	X	X	X	X	X	X
Refused	V	V	V	V	V	V	V
IF DK / REFUSED PROMPT WITH RANGES:							
	Less than £6,000	Less than £166	Less than £154	Less than £76	Less than £38	Less than £20	Less than £3.30
	£6,000 - £7,999	£166-£333	£155 - £307	£76 - £149	£38-£74	£21-£24.99	£3.30 - £3.86
	£8,000 - £9,999	£334-£499	£308 - £449	£150 - £229	£75-£114	£25-£29.99	£3.87-£4.50
	£10,000 - £11,999	£500-£666	£450 - £624	£230 - £299	£115-£153	£30-£34.99	£4.51-£5.29
	£12,000 - £14,999	£667-£832	£625 - £749	£300 - £380	£154-£192	£35-£39.99	£5.30-£6.69
	£15,000 - £17,999	£833-£999	£750 - £924	£381 - £460	£193-£230	£40-£43.99	£6.70 - £7.19
	£18,000 - £20,999	£1,000-£1,249	£925 - £1,149	£461 - £579	£231-£289	£44-£49.99	£7.20 or more
	£21,000 or more	£1,250-£1,499	£1,150 - £1,349	£580 - £699	£290-£346	£50-£59.99	
		£1,500-£1,749	£1,350 - £1,599	£700 - £799	£347-£403	£60-£69.99	
		£1,750 or more	£1,600 or more	£800 or more	£404 or more	£70 or more	
(DON'T READ OUT) Don't know	X	X	X	X	X	X	X

ALLOW 0

SOFT CHECK IF RESPONDENT ANSWERS 0

ASK IF ANY OVERTIME (AT C3C=1)

E3chk **Can I just check that the figure you gave me excludes any payment you get for working overtime?**

Yes	1	
No	2	RE-ASK E1 and E2 EXCLUDING OVERTIME

ASK IF DON'T KNOW GROSS PAY OR PREFER TO ANSWER IN NET TERMS [E3=X FOR THE RANGE QUESTION OR E1=2]

E4 **Thinking about your take home pay - that is, your pay after all deductions e.g. for income tax and National Insurance. Please DO NOT include any payments for [IF WORK OVERTIME: overtime], bonuses, commissions or tips. Would it be easier to give this as an...?**

Annual figure	1	
Monthly	2	
Four weekly / every four weeks	3	
Fortnightly	4	
Weekly	5	
Daily	6	
Hourly	7	
Refused to answer about pay [INTERVIEWER TRY AND PERSUADE BY SAYING THEY CAN ANSWER IN RANGES NOT WITH A SPECIFIC RESPONSE]	V	



ASK IF CAN ANSWER FOR SPECIFIC PERIOD (E4=1-7)

- E5 **So what is your take home pay per <ANSWER FROM E4> - that is, what did you get paid after all deductions e.g. for income tax and National Insurance. (IF C2d or e=1: Please DO NOT include any payments for <C2d=1: overtime>, <C2d=1: bonuses, commissions or tips.>)**

WRITE IN EXACT IF GIVEN AND RANGE (CATI CHECK THE TWO CONSISTENT – IF NOT RE-ASK). IF DON'T KNOW PROMPT WITH RELEVANT RANGES.

	Annual	Monthly	Four weekly	Fortnightly	Weekly	Daily	Hourly
						Allow decimals	Allow decimals
<b>EXACT FIGURE:</b>	£_____	£_____			£_____	£_____	£_____
Don't know	X	X			X	X	X
Refused	V	V			V	V	V
IF DK / REFUSED PROMPT WITH RANGES:							
	Less than £6,000	Less than £166	Less than £155	Less than £76	Less than £38	Less than £21	Less than £3.30
	£6,000 - £7,999	£166-£333	£155 - £307	£76 - £149	£38-£74	£21-£24.99	£3.30 - £3.86
	£8,000 - £9,999	£334-£499	£308 - £449	£150 - £229	£75-£114	£25-£29.99	£3.87-£4.50
	£10,000 - £11,999	£500-£666	£450 - £624	£230 - £299	£115-£153	£30-£34.99	£4.51-£5.29
	£12,000 - £14,999	£667-£832	£625 - £749	£300 - £380	£154-£192	£35-£39.99	£5.30-£6.69
	£15,000 - £17,999	£833-£999	£750 - £924	£381 - £460	£193-£230	£40-£43.99	£6.70 - £7.19
	£18,000 - £20,999	£1,000-£1,249	£925 - £1,149	£461 - £579	£231-£289	£44-£49.99	£7.20 or more
	£21,000 or more	£1,250-£1,499	£1,150 - £1,349	£580 - £699	£290-£346	£50-£59.99	
		£1,500-£1,749	£1,350 - £1,599	£700 - £799	£347-£403	£60-£69.99	
		£1,750 or more	£1,600 or more	£800 or more	£404 or more	£70 or more	
(DON'T READ OUT) Don't know	X	X	X	X	X	X	X

ASK IF WORK PAID OVERTIME (C3D=1) AND SECTIOND\_DUM=1

- E6 **You said earlier that in a typical week you usually do <D8 hours IF D8 ANSWERED AS A NUMBER & D9=1> <D10 hours IF D10 ANSWERED AS A NUMBER & D9 NOT A 1> <OTHERS: some> hours overtime. For how many of the <hours used above> hours would you usually expect to be paid?**

WRITE IN _____ HOURS PER WEEK (RANGE 0 - <FIGURE USED ABOVE)	
Don't know	X

IF DON'T KNOW EXACT NUMBER / IT VARIES – PROMPT WITH RANGES

1-5	1
6-10	2
11-15	3
16-20	4
More than 20	5
Don't know	X

ASK IF WORK PAID OVERTIME (C3D=1) & (E6>0 OR E6RAN=1-5)

- E7 **How much do you get paid on average PER HOUR for this paid overtime?**

*INTERVIEWER NOTE: THE FIGURE OF INTEREST IS THE TOTAL PER HOUR FIGURE THEY GET FOR WORKING OVERTIME, NOT THE EXTRA IN ADDITION TO THEIR NORMAL WAGE. SO, IF NORMAL PER HOUR WAGE IS £3.00, AND THE TOTAL FOR OVERTIME IS £4.50 PER HOUR, TYPE IN 4.50 AND NOT 1.50.*

WRITE IN (allow decimals)
Don't know.....X

SOFT CHECK IF E7>£10.00:

**Just to confirm, I've recorded that on average you get paid £[E7 INTEGER] per hour for the hours that you work overtime. Is that correct?**

Yes	1	
-----	---	--

No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question E7.	2	RE-ASK E7
--	---	-----------

ASK IF WORK PAID OVERTIME (C3D=1) &amp; (E6&gt;0 OR E6RAN=1-5)

E8 **Is that the hourly figure that you are paid before tax and other deductions; or after tax?**

Before tax	1
After tax	2
Other (SPECIFY)	3

ASK IF WORK OVERTIME (C3C=1)

E9 **Do you ever get given time off or flexi leave in return for working overtime?**

Yes	1
No	2
Don't know	X

ASK ALLE10 **Can I just check do you know your gross hourly [IF SAY SOME PAY AT HIGHER RATE (C2=2) standard] pay rate i.e. the amount you get paid per hour BEFORE any deductions for tax or national insurance?**

Yes	1	
No	2	
Don't know / refused	3	

ASK IF AWARE OF GROSS HOURLY PAY RATE (E10=1)

E11 **What is your gross hourly pay rate?**

£ (ALLOW DECIMALS)	
Don't know....X	

SOFT CHECK IF E11>£10.00:

**Just to confirm, I've recorded that your gross hourly pay rate is £[E11 INTEGER] per hour. Is that correct?**

Yes	1	
No INTERVIEWER NOTE: If 'no' is selected you will be automatically routed back to re-ask question E11.	2	RE-ASK E11

ASK IF UNSURE OF GROSS HOURLY PAY RATE (E11=X OR E10=2/3)

**E12 Is it....READ OUT APPROPRIATE SECTION BASED ON DUMMY VARIABLE "AGE AND YEAR"?**

IF "AGE AND YEAR" DUMMY VARIABLE 'Aged 16-18' OR 'Aged 19+ and in first year of Apprenticeship' Or 'Age=refused'	IF "AGE AND YEAR" DUMMY VARIABLE '19+ and in second+ year of Apprenticeship' and aged 19 or 20	IF "AGE AND YEAR" DUMMY VARIABLE '19+ and in second+ year of Apprenticeship' and aged 21-24	IF "AGE AND YEAR" DUMMY VARIABLE '19+ and in second+ year of Apprenticeship' and aged 25+	
Definitely £3.30 or above	Definitely £5.30 or above	Definitely £6.70 or above	Definitely £7.20 or above	1
Do you think it is £3.30 or above	Do you think it is £5.30 or above	Do you think it is £6.70 or above	Do you think it is £7.20 or above	2
Do you think it is below £3.30	Do you think it is below £5.30	Do you think it is below £6.70	Do you think it is below £7.20	3
Or is it definitely below £3.30	Or is it definitely below £5.30	Or is it definitely below £6.70	Or is it definitely below £7.20	4
(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Don't know	5

ASK IF NUMBER PROVIDED AT E11

**PROGRAMMER NOTE: Check question to ensure that the correct figure has been given, if respondent has stated it is below the minimum wage. Full routing below.**

**E12a Can I just check that your gross hourly pay rate is definitely less than...?**

IF "AGE AND YEAR" DUMMY VARIABLE 'Aged 16-18' OR 'Aged 19+ and in first year of Apprenticeship' OR 'Age=refused' AND Number given at E11 = Less than 3.30	IF "AGE AND YEAR" DUMMY VARIABLE '19+ and in second+ year of Apprenticeship' and aged 19 or 20 AND Number given at E11 = Less than 5.30	IF "AGE AND YEAR" DUMMY VARIABLE '19+ and in second+ year of Apprenticeship' and aged 21-24 AND Number given at E11 = Less than 6.70	IF "AGE AND YEAR" DUMMY VARIABLE '19+ and in second+ year of Apprenticeship' and aged 25+ AND Number given at E11 = Less than		

			7.20		
<£3.30>	<£5.30>	<£6.70>	<£7.20>		
YES	YES	YES	YES	1	
NO	NO	NO	NO	2	REASK E11
(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Don't know	(DO NOT READ OUT) Don't know	3	

IF SOME PAY AT A HIGHER RATE (C2=2) UNLESS ANSWERS C21 WITH AN ACTUAL FIGURE

- E13 **You mentioned earlier that some pay you get is at a higher rate than your standard rate. Do you know your gross hourly HIGHER pay rate i.e. the amount you get paid per hour BEFORE any deductions for tax or national insurance?**

Yes	1	
No	2	
Don't know / refused	3	

ASK IF AWARE OF GROSS HOURLY HIGHER PAY RATE (E13=1)

- E14 **What is the gross hourly higher rate of pay?**

IF SAY MORE THAN ONE HIGHER RATE ASK FOR THE ONE THEY ARE PAID AT MOST FREQUENTLY:

£ (ALLOW DECIMALS)	
Don't know....X	CHECK E15

ASK IF RECEIVE BONUSES, COMMISSION OR TIPS (C3E=1)

- E15 **Do you ever receive any tips from customers in your work with <EMPLOYER NAME FROM DUMMY Q1>?**

Yes	1	
No	2	
Don't know	3	

ASK IF RECEIVED TIPS FROM CUSTOMERS (E15=1)

E16 **In a typical week, what is the average amount you receive in tips per week from customers?**

IF GIVE A RANGE ASK FOR BEST ESTIMATE

<b>EXACT FIGURE:</b>	£_____ per week	
Don't know / varies widely	X	
Refused	V	

IF DK PROMPT WITH RANGES

Less than £5	1
£5 to £9	2
£10 to £19	3
£20 to £29	4
£30 to £39	5
£40 to £49	6
£50 or more	7

ASK IF RECEIVED TIPS FROM CUSTOMERS (E15=1)

E17 **Can I just check, when you have told us about your pay earlier in the interview, did you include the tips you receive or did you exclude them?**

Included tips	1
Excluded tips	2
(DON'T READ OUT) Don't know	X

ASK IF RECEIVE BONUSES, COMMISSION OR TIPS (C3E=1)

E18 **Do you ever receive bonuses in your work with <EMPLOYER NAME FROM DUMMY Q1>?**

Yes	1	
No	2	
Don't know	3	

ASK IF RECEIVED BONUSES (E18=1)

- E19 **We are interested in approximately how much do you get paid in bonuses on average. Ideally this would be in gross terms, by which I mean amount BEFORE any deductions for tax or national insurance. Are you able to provide the gross figure, or just the net figure i.e. after tax and other deductions? IF SAY EITHER ASK FOR GROSS FIGURE**

Gross	1
Net	2
Refused to answer about bonuses [INTERVIEWER TRY AND PERSUADE BY SAYING THEY CAN ANSWER IN RANGES NOT WITH A SPECIFIC RESPONSE]	V

ASK IF RECEIVED BONUSES AND CAN ANSWER EITHER GROSS OR NET (E19=1/2)

- E20 **Do you want to answer this in terms of an...?**

Annual figure	1	
Monthly	2	
Four weekly / every four weeks	3	
Weekly	4	
Daily	5	
Hourly	6	
Refused to answer about bonuses [INTERVIEWER TRY AND PERSUADE BY SAYING THEY CAN ANSWER IN RANGES NOT WITH A SPECIFIC RESPONSE]	V	

ASK IF RECEIVED BONUSES AND CAN ANSWER IN DEFINED TIMESCALE (E20=1-6)

- E21 **And do you want to answer in terms of the actual amount or a percentage of your pay?**

Percent	1	
Amount in £	2	
Refused to answer about bonuses [INTERVIEWER TRY AND PERSUADE BY SAYING THEY CAN ANSWER IN RANGES NOT WITH A SPECIFIC RESPONSE]	V	



ASK IF RECEIVED BONUSES AND CAN GIVE AMOUNT IN % OR £ (E21=1/2)

E22 **So what was your bonus per <ANSWER AT E20>?**

CODE EXACT IF GIVEN AND RANGE (CATI CHECK THE TWO CONSISTENT – IF NOT RE-ASK)

	Annual	Monthly	Four Weekly	Weekly	Daily	Hourly
<b>EXACT FIGURE (D16=2):</b>	£_____	£_____	£_____	£_____	£_____	£_____
<b>E16=1 (%) allow decimals</b>	____%	____%	____%	____%	____%	____%
Don't know.....X						
Refused..... ....V						
<b>IF DK PROMPT WITH RANGES:</b>	Less than £50	Less than £50	Less than £50	Less than £10	Less than £1	Less than 50p
	£50-£99	£50-£99	£50-£99	£10-£24	£1-£2.49	£0.50-£0.99
	£100-£249	£100-£199	£100-£199	£25-£49	£2.50-£4.99	£1-£1.49
	£250-£499	£200-£299	£200-£299	£50-£74	£5-£7.49	£1.50-£2.99
	£500-£749	£300-£399	£300-£399	£75-£99	£7.50-£9.99	£3-3.99
	£750-£999	£400-£499	£400-£499	£100 or more	£10-£14.99	£4-4.99
	£1,000 or more	£500 or more	£500 or more		£15 or more	£5 or more
(DON'T READ OUT) Don't know	X	X	X	X	X	X

ASK ALL

E23 **Does your employer provide you with live-in accommodation?**

*INTERVIEWER NOTE: THIS DOES NOT INCLUDE PAID FOR ACCOMMODATION IN HOTELS ETC. WHILE AWAY ON BUSINESS TRIPS.*

No	1	
Yes, accommodation is free	2	
Yes, accommodation is charged for	3	

ASK IF EMPLOYER PROVIDES WITH ACCOMMODATION (E23=2/3)

E24 **How many days a week do you live in the accommodation?**

WRITE IN (RANGE: 1-7)
Don't know

ASK THOSE WHO LIVE IN CHARGED FOR ACCOMMODATION (E23=3)

E25 **We would like to know how much your employer charges you for your accommodation. Would you like to answer this daily, weekly or monthly?**

Daily	1	
Weekly	2	
Monthly	3	
Refused to answer about accommodation charges	V	

ASK THOSE WHO LIVE IN CHARGED FOR ACCOMMODATION AND CAN GIVE ANSWER DAILY, WEEKLY OR MONTHLY (E25=1-3)

E26 **How much does your employer charge you for accommodation? Please include any costs associated with rent, charges for gas, electricity, furnishings and laundry.**

WRITE IN £_____	1
Don't know	X

## F Future plans

F1 THERE IS NO F1

F2 THERE IS NO F2

F3 THERE IS NO F3

ASK ALL

F4 **Have you ...**READ OUT (SINGLE CODE EACH ROW)?

	Yes	No	Don't know
a) Heard of the National Minimum Wage	1	2	3
IF YES TO A) b) Are you aware that there is a National Minimum Wage rate for certain Apprentices	1	2	3
IF YES TO B) c) Do you know what the hourly minimum rate for apprentices is	1	2	3

ASK ALL

F4a **Have you ...**READ OUT (SINGLE CODE)?

	Yes	No	Don't know
a) Heard of the National <b>Living</b> Wage	1	2	3

ASK ALL

F5 **At any time during your <COURSE NAME FROM DUMMY Q1> course has your hourly pay rate increased?**

Yes	1	
No	2	
Don't know	X	

IF YES (F5=1)

F6 **As far as you were aware was this for any of the following reasons...**

READ OUT

DS NOTE: PLEASE BASE AGE ON B4 RESPONSE. IF REFUSED AT B4, TAKE AGE FROM SAMPLE.

	Yes	No	Don't know
[IF AGED 19+: Because you turned 19]	1	2	X
[IF AGED 21+: Because you turned 21]	1	2	X
[IF AGED 25+: Because you turned 25]	1	2	X
[IF AGED 25+: Because of the introduction of the National Living Wage]	1	2	X
Because you completed the first year of the course / training	1	2	X

ASK ALL

F7 **In terms of training, do you receive on average at least one day per week of formal training?***ADD IF NECESSARY: By formal training we mean training sessions at your workplace from either your employer or training provider away from your usual work activities.**INTERVIEWER NOTE: ONE DAY PER WEEK AVERAGE INCLUDES E.G. ONE WEEK PER MONTH TRAINING, 2 DAYS PER FORTNIGHT ETC,*

Yes	1	
No	2	
Don't know	3	

## G Demographics

Finally, just a few more questions about you. This information will be used to analyse the findings.

ASK IF ETHNICITY UNKNOWN ON SAMPLE

G1 **What is your ethnic group? I will read out the options – please choose the one option that best describes your ethnic group or background.**

[READ OUT BOLD CATEGORIES – once answered yes read out relevant more detailed options]

SINGLE CODE

<b>White</b>	
White English / Welsh / Scottish / Northern Irish / British  [PROGRAMMER: IF IN ENGLAND START WITH ENGLISH; IF IN WALES START WITH WELSH; IF IN SCOTLAND START WITH SCOTTISH]	1
White Irish	2
Gypsy or Irish traveller	3
Any other white background	4
<b>Asian / Asian British</b>	
Asian Indian	5
Asian Pakistani	6
Asian Bangladeshi	7
Other Asian	8
<b>Black / Black British</b>	
Black African	9
Black Caribbean	10
Other Black	11
<b>Mixed ethnicity</b>	
White & Black Caribbean	12
White & Black African	13

White & Asian	14
Other Mixed	15
<b>Other ethnic group</b>	
Chinese	16
Arab	17
Any Other Ethnic Group	18
<b>Prefer not to say</b>	19

ASK IF DISABILITY FLAG

G2 **Do you consider yourself to have a disability?**

Yes	1
No	2
Prefer not to say	3
Don't know	4

ASK IF DISABILITY FLAG

G3 **Do you consider yourself to have learning difficulties?**

Yes	1
No	2
Prefer not to say	3
Don't know	4

ASK ALL

G4 **Are you receiving any of the following benefits or credits...READ OUT [CODE ONE PER ROW]**

	Yes	No	Don't know
Income support	1	2	3
Housing Benefit or Council Tax Credit	1	2	3

Working tax credit	1	2	3
Child tax credit	1	2	3
Universal credit	1	2	3
Other benefits or credits (SPECIFY)	1	2	3

Name: RECORD DETAILS OF RESPONDENT WHO COMPLETED INTERVIEW	
Job title:	

ASK ALL

G4a **Thank you very much for taking the time to speak to us today. Occasionally it is necessary to call people back to clarify information; may we please call you back if required?**

REASSURE IF NECESSARY: **Your details will only be used by IFF to call you back regarding this particular study.**

Yes	1	
No	2	

ASK ALL IN SCOTLAND AND ENGLAND

G5 **If the government and its agencies wish to undertake further work on related issues in the future would it be ok for them or their appointed contractors to contact you on these issues?**

Yes	1	
No	2	

G6 QUESTION DELETED

## G7 QUESTION DELETED


ASK ALL

- G8 **Finally, it is sometimes possible to link the data we have collected from you with other surveys or datasets, to which [IF ENGLAND: BIS (now the Department for Business, Energy and Industrial Strategy)] [IF WALES: Welsh Government] [IF SCOTLAND: Scottish Government] has authorised access. Would you be content for data to be supplied to [IF ENGLAND: BIS] [IF WALES: Welsh Government] [IF SCOTLAND: Scottish Government] or a third party acting on their behalf to do this linking, as it can provide the potential for further analysis. In doing this, your confidentiality will be respected and once any data has been linked it will be re-anonymised, and [IF WALES: only used for research, analysis or equal opportunities monitoring] [IF ENGLAND OR WALES: used for statistical and analytical purposes only], with only authorised researchers having access to the linked data?**

Yes	1	
No	2	

ASK ALL

THANK RESPONDENT AND CLOSE INTERVIEW
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Finally I would just like to confirm that this survey has been carried out under IFF instructions and within the rules of the MRS Code of Conduct. Thank you very much for your help today.



## Appendix D: Reassurance email

Ref: <IFF ID>

### Apprenticeship Pay Survey 2016

We are about to carry out the 2016 Apprenticeship Pay Survey and very much hope you will be able to take part. This is an important research project providing up to date information on training, hours and pay of those in workplace training schemes and will be used by the Government when setting policy related to pay and improvements to workplace training. **By 'Apprenticeship', we mean any training leading to a nationally-recognised qualification undertaken whilst working for an employer.** Our records indicate that you are an apprentice.

An interviewer from IFF Research, an independent research organisation, will call you in the next few weeks to arrange a suitable time for you to take part in a 10-minute telephone interview. To help with providing accurate information regarding your hours and pay, **we strongly recommend that you try to have a recent pay slip or contract to hand during the interview.** The sorts of questions you will be asked are:

- the number of hours you spend working for your employer (in a typical week)
- the number of *additional* hours you spend learning and training on top of your normal work. (This could include attending college, courses, workshops or training sessions at your employer's premises or held externally, learning at home, learning from workbooks, time with your assessor, and time filling in a portfolio.)
- how much you earn (ideally the amount you earn in *gross terms* i.e. before tax, national insurance and other deductions).

These questions are asked to enable us to look at wage levels nationally, measure changes with previous years and monitor whether employers are adhering to the rules on fair pay. If you wish to find out more about the research objectives and content of the interview, please visit

<https://www.gov.uk/government/news/thousands-of-apprentices-to-take-part-in-major-pay-study--2>

**Your employer will not be informed that you have taken part.** The information you provide will be used for research purposes only. All your responses will be completely anonymous, and the research company will not pass us any information by which you could be identified without your permission. The research is being conducted in accordance with the Data Protection Act and the Market Research Society Code of Conduct

If you do not want to take part in the research, please call the freephone number 0800 054 2381 and quote the reference number at the top of this letter.

If you have any questions about the interview arrangements or the conduct of the study, please call **Sam Selner or Tariq Oozeerally at IFF Research on 0207 250 3035 or email [ApprenticeshipPaySurvey@iffresearch.com](mailto:ApprenticeshipPaySurvey@iffresearch.com)**. If you would like to talk to someone at BIS about why the survey is being carried out, please call Bryan Halka on 0207 215 5876 or e-mail [bryan.halka@bis.gsi.gov.uk](mailto:bryan.halka@bis.gsi.gov.uk).

Many thanks in advance for your help.

Deputy Director, Skills Policy Analysis

Department for Business, Innovation and Skills



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