



Department for  
Communities and  
Local Government

# Apprenticeship reforms: guide for local authorities



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## Summary

In April 2017, Government funding of apprenticeships in England changed. Some employers, including combined authorities and the majority of local authorities, are now required to contribute to the new [apprenticeship levy](#) and there will be changes to funding for apprenticeship training for all employers.

At the same time, the Government introduced the [public sector apprenticeship target](#) in support of its commitment to increasing the quality and number of apprenticeships in the public sector. This will help improve the capacity and capability of the public sector and ensure that it benefits from the positive impacts that apprenticeships can bring. The majority of local authorities will be required to have regard to the target.

This guide provides information on what apprenticeships are<sup>1</sup>, how local and combined authorities can use them, and how the apprenticeship levy and public sector target applies to local and combined authorities.

It explains how levy funds are calculated and how local authorities can access apprenticeship funding through an online apprenticeship service which enables them to find and pay for apprenticeship training more easily. It also includes information for the small number of authorities that are not liable to pay the levy but wish to take advantage of the Government's co-investment offer.

In addition to setting out what the public sector target means for authorities and how they should have regard to it, authorities are encouraged to think about how apprenticeships can help them meet challenges around workforce planning and skills gaps. The guide also encourages authorities to think about how they can help support the creation of apprenticeships more widely within their local areas.

Links to further guidance and support are provided throughout this guide.

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

## Who is this publication for?

This guide is for all local and combined authorities in England, not just those that will pay the levy or those within scope of the public sector apprenticeship target. It complements the [schools' guide to apprentice reforms](#) published by the Department for Education; and the Local Government Association's guidance on apprenticeship standards and the procurement of apprenticeship training, both of which will be published later this year.

Having read this guide, you should:

- Check whether your authority is in scope for the public sector target.
- Check whether your authority needs to pay the levy and register to set up your digital account to manage your apprenticeship funds. If your workforce includes other employees such as school or Fire and Rescue employees, consider how your authority will work with those organisations and how they will access apprenticeship training funds and contribute towards your authority's overall target.
- Consider how you can use apprenticeships in your authority and how you will include them in your workforce planning. Even if your authority does not pay the levy, you can still access co-investment to purchase apprenticeship training from an approved provider.
- Consider how your authority might support apprenticeships through procurement by encouraging suppliers to employ apprentices and from April 2018, the plans to allow levy-paying employers to transfer funds to another employer or apprenticeship training agency through the apprenticeship service<sup>2</sup>.
- Consider how your authority can engage with other employers and organisations to encourage apprenticeships more widely in your local economy.
- Consider whether you wish to participate in the design of new apprenticeship standards.

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<sup>2</sup> For the most up to date information on the plans to allow the transfer of funds go to: <https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

## The public sector apprenticeship target and how it applies to local and combined authorities

On 1 April 2017, an apprenticeship target for public sector bodies was introduced. Public sector employers with 250 or more employees in England have a target to employ an average of at least 2.3% of their staff as new apprentice starts over the period of 1 April 2017 to 31 March 2021.

All public sector bodies in scope of the target, including local and combined authorities must have regard to the target. Therefore local and combined authorities in England with 250 or more employees will need to actively consider apprenticeships in their workforce planning.

The target is for new apprenticeship “starts”. It includes both newly employed apprentices and where substantial new learning is involved, existing employees who have started an apprenticeship.

Authorities within scope of the target will be required to publish certain information annually on their progress towards meeting the target and send information on steps they have taken to meet the target to the Department for Education within 6 months of the reporting period ending. The Department for Education has published [statutory guidance](#), which sets out what information should be published and shared, and the specific format in which it should be returned. The first reports for the period 1 April 2017 to 31 March 2018, will be due by 30 September 2018.

The headcount on which the target will be based will include community and voluntary controlled schools, Fire and Rescue Services and other services where the local or combined authority is the employer. Therefore, it is important that the relevant authorities work with these organisations as they will form a significant proportion of the workforce (schools account for around 40% of the overall local authority workforce). Local and combined authorities may separate out information about these organisations in their annual report.

# An introduction to apprenticeships

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

In recognition of this, the Government has committed to increasing the quantity and quality of apprenticeships in England to three million starts by the end of 2020 and set out its vision in [English Apprenticeships: Our 2020 Vision](#).

Apprenticeships are a great way for local and combined authorities to improve the skills base of their employees and ensure that they are able to meet the challenges around workforce planning and skills gaps. As well as being a tried and tested way to recruit new staff, apprenticeships also provide a route to re-train or upskill existing staff of all ages and levels of experience. You can use them to provide training that is tailored to the needs and requirements of your authority, with learning taking place in the workplace as well as through formal training, to minimise disruption and maximise impact.

## Understanding apprenticeships

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

Apprenticeships covering a number of roles within local government including schools and the emergency services are already available. They cover a range of educational levels from Level 2 all the way up to degree level, with many now incorporating a Bachelor's or Master's degree.

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

- They are employed in a genuine job, as set out in the apprenticeship funding rules.
- They are working towards achieving an approved apprenticeship (you can search approved apprenticeships on the ['Find apprenticeship training'](#) page of gov.uk).
- Their apprenticeship lasts at least 12 months.

- They spend at least 20% of their time on off-the-job training (e.g. mentoring, coaching or completing formal training or qualifications).
- They are paid at least the relevant national minimum wage.

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

## Explaining the apprenticeship levy

In April 2017, Government funding of apprenticeships in England changed. Some employers, including the majority of local authorities, are now required to contribute to a new apprenticeship levy and there are changes to the funding for apprenticeship training for all employers. These reforms will enable the Government to fund the step change needed to increase the number and improve the quality of apprenticeships.

The changes include the introduction of a new co-investment rate for non-levy paying employers whereby the Government will pay 90% of the cost of training and assessment, up to a cap. This also applies to levy payers that have exhausted the funds in their digital account.

In addition, the new apprenticeships funding system will be made up of 15 funding bands, with the upper limit of those bands currently capped between £1,500 and £27,000 dependant of the type of apprenticeships. Further information on funding bands can be found at: <https://www.gov.uk/government/publications/apprenticeship-funding-bands>

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

Employers who pay the levy will only be able to use the money to fund the training and assessment for apprentices; this will be done through an on-line account in the new apprenticeship service. Information on how to register for this is included in this guide. At the end of each month, employers will receive a 10% top-up to the levy contributions they have made that month from the Government. When a local or combined authority has exhausted the funds in its account, it can access co-investment for eligible apprenticeship training and assessment, whereby the Government pays 90% of the training and assessment costs.



See [Apprenticeship funding: rules and guidance for employers](#) for further information and details of other incentives.

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

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

## How the apprenticeship levy applies to local and combined authorities and services provided by the authority

The levy will apply to all local and combined authorities with an annual pay bill of £3 million or more. The way in which the levy applies to schools and Fire and Rescue Services depends on the type of school or Fire and Rescue Service<sup>3</sup> and who is the overall employer. For any service including schools and Fire and Rescue where the local or combined authority is the employer, the authority will be responsible for payment of the apprenticeship levy for the organisations under their control.

Where the local or combined authority is the employer, it should work with its schools and Fire and Rescue Service<sup>3</sup> on whether they need to take account of the apprenticeship levy in their annual budgets. These organisations will want to consider how to make use of the local or combined authority’s apprenticeship funds and local or combined authorities will need to provide them with access to the relevant funds, including the 10% top up from Government.

Authorities need to make sure that their schools of all age ranges and their Fire and Rescue Service can access the levy funds easily in order to appoint apprentices and the process for accessing funds should be set out clearly so that apprenticeship funding is managed as effectively as possible<sup>4</sup>.

The Department for Education has already published [guidance for schools](#), including those where the local authority is the employer and the Home Office will be publishing guidance for the Fire and Rescue Service.

In addition, the Local Government Association will be publishing on its website, case studies and examples of best practice.

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<sup>3</sup> Or any other service where the authority is the employer

<sup>4</sup> Combined authorities do not have responsibility for schools and not all authorities will employ Fire and Rescue Service staff.

Further information on which employers will pay the apprenticeship levy, how much they will pay and how to pay is available in the [guide to paying the apprenticeship levy](#). There is also an [online tool](#) which can be used to illustrate whether your local authority will pay the apprenticeship levy, how much your authority will have available to spend on apprenticeships and how much the Government will contribute towards the cost of training.

## Accessing apprenticeship funding

The amount of apprenticeship funding available to each local authority will depend on their levy contribution which is determined by how many of their employees live in England and the proportion of their pay bill paid to those employees<sup>5</sup>. This is called the 'English percentage'.

HM Revenue and Customs calculates the 'English percentage' from the information an employer provides about their pay bill, and uses it to put the right proportion of apprenticeship funds in their digital apprenticeship account.

The latest 'English percentage' will be visible in your account and will be topped up by 10% every month by Government. This is then the total amount available to spend on apprenticeship training. Further information can be found at <https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

The funds in your account can only be used to pay for apprenticeship training and assessment for apprentices that work at least 50% of the time in England, and only up to the funding band maximum for that apprenticeship. You can agree a price over the funding band maximum with a provider if you wish, but will need to fund this additional cost separately.

## Registering to use apprenticeship funding

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

As the employer, local or combined authorities will register to manage apprenticeship funds on behalf of schools and Fire and Rescue Services<sup>4</sup>. They will need to ensure that funds are easily accessible to those organisations so that they can appoint apprentices.

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<sup>5</sup> Some employees whilst working for English authorities may live in other parts of the UK

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

Funds cannot be used on other costs associated with apprentices or wider training, for example wages, statutory licences to practice, travel and subsistence costs, managerial or brokerage costs, traineeships, work placement programmes or the costs of setting up an apprenticeship programme.

Funds in apprenticeship service accounts can only be spent on apprenticeship training delivered by an approved training provider. See the [apprenticeship funding rules](#) for more details.

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

## Accessing apprenticeships if you don't pay the levy

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

For regular updates follow [@Apprenticeships](#) on Twitter. If you have any questions or issues accessing apprenticeships you can call the employer helpline on 0800 015 0600

## Apprenticeship options for local and combined authorities as employers

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

Local and combined authorities can search for apprenticeship training, find out about providers in their area, and learn more about how to employ an apprentice by using the simple ['Find apprenticeship training'](#) online tool.

When considering how to use apprenticeships, authorities may wish to consider the following:

- Are other authorities in the area already using apprenticeships, and if so what can be learnt from them?
- What skills do employees need now and in the future and can apprenticeships help with this?
- How do the roles in the authority fit with the currently available apprenticeships?
- What is the most effective way of procuring apprenticeship training, are there existing frameworks that I draw on, can I collaborate with other authorities to procure training?

A range of apprenticeships relevant to local government are either already available or currently under development (many led by groups of local authorities, schools and Fire and Rescue Services). You can find out more about the range of apprenticeships available in the examples at Annex A, and on the ['Employing an apprentice'](#) page of gov.uk for the full list.

It is important that organisations think now about what further standards they might need in order to give maximum time for development. Authorities looking to establish further apprenticeship standards are encouraged to engage with the Institute for Apprenticeships.

A full list of available standards is available at <https://www.gov.uk/government/collections/apprenticeship-standards>

Details of those under development can be found at <https://www.gov.uk/government/publications/apprenticeship-standards-in-development>

The Local Government Association is currently in the process of drafting guidance for authorities on apprenticeship standards and guidance on the procurement of apprenticeship training – both of which should be published later this year.

In addition the [schools guidance](#) contains further details of the apprenticeship standards relevant to schools.

There are additional financial incentives for employers to take on an apprentice aged between 16-18, or those on a local authority care plan. More details here: <https://www.gov.uk/government/publications/apprenticeship-funding-from-may-2017>

## Supporting apprenticeships more widely

Many local and combined authorities will have previously engaged with promoting apprenticeships across their local area to support local economic growth, e.g. some mayoral combined authorities received devolution of the Apprenticeship Grant for Employers in their devolution deals.

To meet the target for apprenticeships across the country and in their local economies, local and combined authorities may wish to continue to support local businesses through their Local Enterprise Partnership Growth Hubs – providing a focal point for advice and a one-stop location to which businesses can come for advice. Growth Hubs are then advised to point towards published guidance.

## Transfers of apprenticeship funds

We know that some authorities will want to use the apprenticeship funds in their account to pay for apprenticeship training of other employer's apprentices, for example, someone in their supply chain. From April 2018, the Government plans to allow levy-paying employers to transfer funds to another employer or apprenticeship training agency through the apprenticeship service. You will initially be able to transfer up to 10% of the annual value of funds entering your apprenticeship service account<sup>6</sup>.

You'll need to be aware of 'state aid' rules when transferring and receiving funds from other organisations. The maximum amount that an organisation can receive through a transfer of funds is €200,000 over 3 years. This is because of 'de minimis' funding rules - see [guidance on state aid](#).

The Government will publish further information about how transferring funds between organisations will work in practice in autumn 2017.

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<sup>6</sup> See Share funds with another employer at <https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>

## Supporting apprenticeships through the supply chain

Local authorities may wish to consider how they can encourage their suppliers to take on apprentices through their procurement, subject to apprenticeships and skills development being sufficiently linked to the subject matter of the contract. Once this linkage has been determined, local authorities can include in the relevant procurement documentation, a requirement for the supplier to provide evidence of their commitment to developing and investing in skills in performance of the contract in question. Local authorities may achieve this in a number of ways including seeking evidence of the supplier's proposals to develop and maintain skills relevant to the contract, for example adult social care provision.

Further information can be found in Procurement Policy Note 14/15 [Supporting Apprenticeships and Skills Through Public Procurement](#) which all contracting authorities are encouraged to follow.

## Annex A – Examples of apprenticeships relevant to local authorities, schools and the Fire and Rescue Service

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

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

Any group of employers, including those in the public sector, is free to bid into the new Institute for Apprenticeships to develop apprenticeships relating to occupations not yet covered by standards.

The following table provides some examples of apprenticeship standards that are either available or in development which are likely to be of most relevance to local and combined authority staff, along with some of the remaining old style equivalent frameworks. It is not a complete list of the standards or frameworks available. For the most up to date lists go to the [Apprenticeship Standards page](#) and the [apprenticeship frameworks live list](#).

## Examples of apprenticeship standards and frameworks as at July 2017

Occupation	Example of apprenticeship standards either in development, published or approved	Apprenticeship framework	Job role
Business and administration	Chartered Manager	Leadership and Management	Finance Director School Business Manager Learning Manager Office Manager
	Business Administrator	Business and Administration	Administrator/Clerk Personal Assistant School Secretary
	Business Analyst		Data manager Data analyst
	Customer Service Practitioner	Customer Service	Receptionist
	Associate Project Manager	Project management	Project Managers across range of areas
	Operations/Departmental Manager	Management	Middle management, specialist management
	Team Leader/Supervisor	Management	first line management
Sales, Marketing and Procurement	Leisure Duty Manager	Leisure Operations and Leisure Management	Leisure centre manager
	Public sector commercial professional		Range of commercial roles including procurement



<b>Occupation</b>	<b>Example of apprenticeship standards either in development, published or approved</b>	<b>Apprenticeship framework</b>	<b>Job role</b>
Catering and hospitality	Cleaning and Support Services Operative	Cleaning and Environmental Support Services	Cleaner
	Senior Chef Production Cooking	Catering and Professional Chefs	Cook
Construction	Facilities Management Supervisor	Facilities Management	Building services/ Premises manager
	Head of Facilities Management		
	Property Maintenance Operative		Maintenance Engineer, Maintenance Manager, Maintenance Technician, Caretaker
	Housing/Property management assistant		Customer Services Housing Administrator
	Housing/Property management		Housing Officer or Neighbourhood Officer
	Chartered Surveyor	Surveying	Surveyor, Building Control Officer, Building Site Inspector
	Town Planning		Town Planner
	Senior Housing/Property Management		Neighbourhood Housing Manager

Digital	IT Support	IT, Software, Web and Telecoms professional	ICT Technician
	Digital and Technology solutions professional	IT, Software, Web and Telecoms professional	ICT Network Manager
Legal, Accounting and Finance	Assistant Accountant	Accounting	Finance officer
	Small Business Financial Administrator		
	Payroll Administrator		
	Regulatory Compliance Officer		Compliance Officers
	Paralegal		Legal support
	Chartered Legal		Legal Executive
	Solicitor		Lawyer
Health and Science	Laboratory Technician	Laboratory and Science Technicians – education science	Science Technician
	Nurse		Nurse
Childcare and education	Assistant early years practitioner		Nursery officer/Assistant
	Senior early years practitioner	Early Years Educator	
	Children, Young People and Families Manager		Welfare
	Children, Young People and Families Manager		
	Teacher		Teaching
	Teaching assistant	Supporting Teaching and Learning in Schools	

Social Care	lead adult care worker	Health and Social Care	Lead adult care worker
	adult care worker	Health and Social Care	Adult care worker
	leader in adult care	Health and Social Care	Adult care manager/senior lead practitioner
	lead practitioner in adult care	Health and Social Care	lead practitioner
	Youth Worker		Youth Worker
	Social worker		Social Worker
Agriculture, Environmental and Animal Care	Horticulture and Landscape Operative		Groundsman
	Horticulture and landscape supervisor		Park/Grounds supervisor
Protective Services	Business Fire Safety Advisor		Fire Safety advisor
	Operational Firefighter	Emergency Fire Service Operations	Firefighter