

Apprenticeship update

November 2016

Preparing for the Apprenticeship Levy

Most companies by now will know whether or not they will be subject to the Apprenticeship Levy. To check whether you will be liable and the amount you will have available to spend on apprenticeships use the following link for a calculator:

<https://estimate-my-apprenticeship-funding.sfa.bis.gov.uk/>

If you are not a Levy payer you are of course still very much welcome and encouraged to provide apprenticeships and you will pay a maximum of 10% contribution to the cost of training your apprentices. The new apprenticeship standards for Credit, Collections and Compliance, which have been developed with input from the CSA and representative employers include provision of CSA Diploma qualifications at Level 3 and 5, so they offer tremendous value for all members who are committed to the development of their staff.

The Levy will be payable to HMRC on April 2017, and available through your Apprenticeship Digital Account from May 2017.

Who can be funded

<https://www.gov.uk/government/news/employers-and-training-providers-to-road-test-the-new-digital-apprenticeship-service?>

- Over 16 – no upper age limit.
- Employed by you.
- Be based in England at least 50 % of their working hours.
- Eligible for work in the UK.
- Anyone employed by you if they going to undertake an apprenticeship at the same or lower level than they already hold as long as they are gaining substantive new skills and the training is materially different from previous. This means individuals who are moving either up or across your business could be eligible to be apprentices.
- Work a minimum of 30 hours per week.

What exactly is an apprenticeship?

An apprenticeship is a period of training for an employee which combines work and off the job training. Apprenticeships last at least 12 months and start at introductory level standard through to degree level apprenticeships. Apprenticeship training programmes follow published standards (<https://www.gov.uk/government/collections/apprenticeship-standards>) which in many cases includes the completion of qualifications, which are designed to provide in depth development and support in the workplace combined with off the job training. Apprenticeships must be delivered by approved Apprenticeship Training Providers. Employers can apply to be approved Apprenticeship Providers so that they can deliver all or some of the apprenticeship for themselves and connected companies.

Please see links below to standards which have been specifically developed by companies in the industry and will be the core standards offered supported by the CSA.

- [Financial Services Credit Controller/Collector Standard](#)
[Financial Services Credit Controller/Collector Standard assessment plan](#)
- [Financial services Advanced Credit Control and Collection Standard](#)
- [Financial Services Advanced Credit Control and Collection Assessment Plan](#)
- [Compliance/Risk Officer Apprenticeship Standard](#)
[Compliance/Risk Officer Apprenticeship Standard assessment plan](#)
- [Senior Compliance/Risk Specialist Apprenticeship Standard](#)
[Senior Compliance/Risk Specialist Apprenticeship Standard assessment plan](#)

Becoming an employer provider

Any employer may apply to be an employer provider, this is a status who wants to deliver apprenticeship programmes to their own apprentices and be paid directly through the Levy. Implications of this include some complexity in terms of compliance in financial, quality assurance and training delivery. It is anticipated that the majority of employers who apply for this will be Levy payers the same. The application process is very similar to that of the main provider route, and you are subject to the same quality assessment and you need to have safeguarding policies in place. Most other criteria will be in line with the quality standards you already have in place as a reputable and regulated business.

Funding

If you are a Levy-paying employer you will be able to pay for your apprenticeship training from your digital account system which will provide you with access to the Levy which is loaded to the account by HMRC on a monthly basis.

For example:

Payroll:

£30m

£3m disregard

Levy on £27m @ 0.5 % = £135,000

+ 10% top up

= £148,500.

Monthly levy = £12,400 per month.

If you wished to have apprenticeships in Advanced Credit and Collections the maximum fee per apprentice is £9,000. This is a maximum figure and employers will be encouraged to negotiate with providers to get the best value high quality apprenticeship. However in principle this fee would allow the employer to pay for apprenticeship training for up to 30 apprentices, as training for each apprentice is likely to cost around £400 a month.

Next steps:

1. Check your levy liability
2. Contact us to discuss your requirements email Fiona.macaskill@csa-uk.com or call on direct line 0191 217 3072

Contact us

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