



Apprenticeships

KEY FACTS

Funding

Businesses fall into one of the below two categories. This will dictate whether there are any fees attached to taking on an apprentice. A member of the College's Business Engagement team can guide you through this.

Levy payer

If your business has an annual pay bill in excess of £3million you are classed as an Apprenticeship levy paying business. The levy is set at 0.5% of an employer's pay bill. You will need an online account to manage your funds via www.gov.uk/guidance/manage-apprenticeship-funds.

Non-levy

If your business has an annual pay bill that is less than £3million you are classed as a non-levy payer. This means 95-100% of Apprenticeship training fees are funded by the Government, depending on the size of your business and the age of the apprentice.

Fees

- 50+ employees - you will pay 5% of the training fee for any age apprentice.
- Fewer than 50 employees - there are no fees attached to recruiting a 16 to 18-year-old, but there is a 5% training fee for anyone aged 19 or over at the start of the Apprenticeship.

For example:

- Business Administrator Level 3 current funding band = £5,000
- levy payer = £2,000 paid via online account regardless of age
- non-levy payer, 50+ employees = £100 (any age recruited)
- non-levy payer fewer than 50 employees = £0 if aged 16 to 18, £100 if aged 19+.

Employer Incentive Grant

Regardless of your business size, if you recruit an apprentice aged 16 to 18 (or a 19 to 24-year-old care leaver/EHCP), you will be eligible for a £1,000 grant:

- £500 paid following 90 days after start date
- £500 paid following 365 days after start date.

The College will process the grant application at the student's enrolment meeting. Payments are made in line with the College's payment procedure dates.



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Terms and Conditions

Salary

Apprentices are paid at the company's discretion but it must not be less than the minimum of £4.30 per hour. Incremental rises based on progress both at work and College are widely used and effective.

There are different levels of national minimum wage depending on age and whether you are an apprentice. The current rates are:

Year	23 and over	21 to 22	18 to 20	Under 18	Apprentice
From April 2021	£8.91	£8.36	£6.56	£4.62	£4.30

Regardless of age, the Apprenticeship wage is applied to apprentices for at least the first year of their training. If the apprentice is aged 19 or over then after 12 months of training they are then to be paid the national minimum wage for their age.

- Example - 16-year-old, £4.30 per hour until they are aged 19.
- Example - 22-year-old, £4.30 per hour for the first 12 months of the Apprenticeship, £8.36 per hour thereafter.

Details of overtime arrangements (if any) should also be included. Apprentices are not usually entitled to the national minimum wage at the outset of their training but it may apply at a later stage. Please ask us for details if you are unsure or visit

www.gov.uk/national-minimum-wage-rates.

Apprentices are to be paid for the time they are training, be it either for on or off-the-job hours. **No deductions can be made for attending training.**

Contracted hours

To qualify for an Apprenticeship, the apprentice must be working a minimum of 30 hours per week. The 30 hours can include any College time required. The apprentice must have a contract of employment in place. The College can provide you with an example contract as a guide if you do not have one in place.

Mandatory 20% 'off-the-job training'

Off-the-job training is training received by the apprentice, during their paid hours, for the purpose of achieving their Apprenticeship. Off-the-job training is protected time the apprentice has to assist in the achievement of their Apprenticeship and does not necessarily need to be away from the workplace.

Examples of off-the-job training include: shadowing colleagues, role playing, online learning, lectures, taught theory, mentoring, practical training, industry visits, learning support and any time spent on Apprenticeship assignments. If College attendance is required for the chosen Apprenticeship programme then these hours count towards off-the-job training.

Health and safety

Employers' liability insurance with the minimum sum of £5million must be in place. We advise that you contact your insurance provider to inform them of your new employee. The College will carry out a health and safety assessment on every business before enrolling the apprentice.

Annual leave

Apprentices are entitled to a minimum of four weeks' paid annual leave (plus bank holidays) - an entitlement that begins after they have been employed for 13 weeks.

National Insurance

An apprentice does not pay National Insurance if they are earning under £162 per week. As an employer, you may not need to pay class 1 National Insurance contributions on your apprentice's earnings if they are less than £827 per week (£43,000 per year).

Sick pay

To qualify for Statutory Sick Pay (SSP), an apprentice must be an employee earning an average of at least £116 per week and have been unwell for at least four days in a row (including non-working days). An apprentice will not qualify if they have received the maximum amount of SSP (28 weeks).

Employer pays	Employee pays	The Government adds tax relief of	Total contribution
2.0% of the qualifying earnings until 6 April 2021 then rising to 3.0%	2.4% of the qualifying earnings until 6 April 2021 then rising to 4.0%	0.6% of the qualifying earnings until April 2021 then rising to 1.0%	5.0% of the qualifying earnings until 6 April 2021 then rising to 8.0%