

# Questions and Answers

## 6 simple steps to optimise your apprenticeship levy

14<sup>th</sup> February 2017

### **How much is EPA expected to cost in relation to the rest of the apprenticeship?**

*When building in the costs of delivering the apprenticeship standards, it is expected that around 20% of the funding cap will be used to pay the end point assessment organisation for the synoptic tests.*

### **Can the levy be used to pay for the salary of anyone used to wholly administrate an apprenticeship programme?**

*We have referred to the latest funding guidance, what can be funded P79.5: - “Any administration directly linked to the training and assessment, including end-point assessment. This includes costs relating to the development of teaching materials, lesson planning, and the processing of the ILR and quality assurance.”*

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/58878/0/PROVIDER\\_RULES\\_-\\_FINAL\\_010217.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/58878/0/PROVIDER_RULES_-_FINAL_010217.pdf)

### **Is it just STEM apprenticeships that are levy recoverable?**

*No, the levy can be used to pay for all apprenticeship Standards as well as apprenticeship frameworks that don't as yet have a Standard built to replace it.*

### **We have not received instructions on accessing our DAS Account, will there be instructions to come?**

*Yes, the government will produce information. You can view the below video to find out more. <https://www.youtube.com/watch?v=i0InPkpZX2I>*

### **How strict is the 2.3% public sector target? Will organisations be named and shamed if they do not reach it, or will they face financial penalties?**

*Yes, this is a target and there is nothing in the recent paper on this that suggests there will be financial penalties. The Government is making the target an average of 2.3% starts across the years that the target applies, from 2017/18 to 2020/21. Annual information returns will provide an opportunity for organisations to explain any factors which they feel have hindered their efforts to meet the target. The Government expects that all organisations will strive to meet their target and will take steps to improve apprenticeship take-up year on year. The expectation is that the*

*publication of information regarding which organisations have and have not met the target will provide an encouragement for organisations to engage fully in the apprenticeships programme.*

### **How are employers going to fulfil the 20% off-the-job training element?**

*This is a decision that employers themselves must make. Have a look at **Page 6, P31 – Off-the-job training:***

*[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/588780/PROVIDER\\_RULES\\_-\\_FINAL\\_010217.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/588780/PROVIDER_RULES_-_FINAL_010217.pdf)*

### **Will there be set costs for on-programme training and end-point assessment or will providers set their own price?**

*This will need to be negotiated between the employer and the provider using the funding cap as guidance. Keeping in mind the point that approximately 10-20% of the funding will be needed for the EPA, and you will need to consider paying for any resits.*

### **Please could you clarify how SME's access funding, for example do they have access to the Apprenticeship Service like levy payer?**

*SME's will not access funding per se. The funding for apprenticeships with SME's will be drawn down by the providers they work with to deliver apprenticeships. The provider will be able to draw down the Government 90% contribution for delivery via their monthly data return to the Skills Funding Agency, once the employer has made their 10% contribution.*

### **What if with the levy and co-investment piece, if (during the first few months of paying) you don't have enough levy in pot?**

*The Digital Apprenticeship Service (DAS) will enable employers to plan their delivery and know when their levy is running out. If there is not enough levy money in the levy account to pay for the apprenticeships an employer has planned, at that point, the 90/10 contribution arrangement will kick in.*

### **When will employers be able to register and get sight of the DAS and what support will there be to familiarise and train on this?**

*Employers can register for the Digital Apprenticeship Service now. This is the link - <https://manage-apprenticeships.service.gov.uk/>*

### **How can I get support to make the most of the Levy?**

*Levy optimisation is a service that City & Guilds can provide. Please feel free to contact us to discuss this further.*

### **How will the Scottish Apprenticeships work?**

*Funding will be through the devolved government. The levy is only applicable to England.*

### **How will a recently merged business levy pot funding work?**

*This will be down to how the businesses arranges their PAYE with HMRC. HMRC offer full guidance on how to manage the levy payment for different situations. These links take you to the HMRC guidance pages and Levy Manual -*

*<https://www.gov.uk/hmrc-internal-manuals/apprenticeship-levy> and <https://www.gov.uk/guidance/pay-apprenticeship-levy>*