

Apprenticeship Grant for Employers of 16 to 24 year olds (AGE 16 to 24) Employer Fact Sheet – April 2013 (version 13)

The Apprenticeship Grant for Employers of 16 to 24 year olds (AGE 16 to 24) aims to support businesses to grow by providing incentives to assist in offering young people employment through the Apprenticeship programme.

The grant targets employers who are new to Apprenticeships and recruiting their first apprentice, and also supports employers who have not been in a position within the previous twelve months to commit to starting an apprentice again.

The National Apprenticeship Service will provide Apprenticeship grants to employers with up to 1000 employees recruiting 16 to 24 year olds with a value of £1,500 to encourage employers to take on new apprentices.

The £1,500 is in addition to the training costs of the Apprenticeship framework which are met in full for young people aged 16 to 18 and 50 percent for those aged 19 to 24.

When is this Apprenticeship grant available?

The AGE 16 to 24 is available for eligible employers recruiting an apprentice aged 16 to 24 from 1 February 2012 until 31 December 2013, subject to availability (grants will be issued on a first come first served basis). The grant application process must be undertaken as the apprentice starts.

What financial support is available to employers?

The Apprenticeship grant of £1,500 is payable for eligible employers who

commit to employ one or more 16 to 24 year old apprentices (to a maximum of 10 payments).

The payment is a grant and is exempt from VAT.

Which employers are eligible to receive this new AGE 16 to 24 payment?

Eligible employers are those with up to 1000 employees who have never employed an apprentice or have not done so in the last 12 months.

Very large employers (more than 1000 employees) are **not** eligible for support through this initiative. But we do want to encourage take up of eligible businesses within their supply chain.

Subject to budget availability and the employer's commitment to support the apprentices to the end of their programme, up to 10 grants can be made to any one employer. The employer must commit to the total number of apprentices they wish to take on through the grant at the upfront Employer Agreement stage however this may be amended at a later date. Grants can be applied for at different times within the lifetime of the grant and by different providers.

What is an employer's commitment?

Employers will sign an agreement which will include:

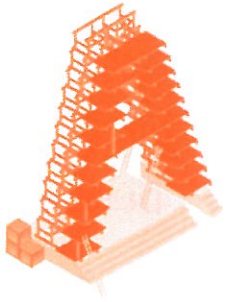
- Confirmation of the number of apprentices they will be taking on as a result of this incentive (to a maximum of 10 payments)

- Confirmation that they wouldn't have taken the apprentice on without this additional incentive.
- Confirmation that they have not started on an apprentice in the previous 12 months*
- A commitment to employ the apprentice for a minimum of 12 months or the time it takes to complete the Apprenticeship framework, whichever is the greater
- Confirmation that they are aware of and do not breach any State Aid rules
- Agreement to pay the minimum Apprenticeship wage, currently £2.65 per hour – although this is a minimum and most employers pay more.

**12 months is calculated from the Individual Learner Record start date of this new apprentice. The employer is not eligible if they have started an apprentice within that 12 month period. This includes Apprenticeships started by existing members of staff, and existing apprentices who have progressed to a higher level of Apprenticeship within that period.*

To check if you are eligible and to apply for AGE 16 to 24 you can:

- Contact your local training provider direct
- **Visit** www.apprenticeships.org.uk to find out more about recruiting an apprentice
- Call the National Apprenticeship Service on **08000 150 600** when you are ready to recruit an apprentice. An adviser from the National Apprenticeship Service will contact you to discuss the support available in more detail.



Q & A

1. What about employers who have already taken on apprentices, or would have taken one on anyway?

Our aim is to support employers to offer new Apprenticeships in support of young people. Therefore we will be targeting those employers who would not otherwise have been in a position to recruit an apprentice at this point in time.

2. Can existing employees starting an Apprenticeship within their existing employer attract the incentive?

No - our aim is to support employers to grow their business and create new jobs for 16 to 24 year olds.

However part-time employees that move in to a new full-time Apprenticeship job role could fall within the remit of the grant. i.e. where the AGE 16 to 24 payment has incentivised an eligible employer to transfer a current 16 to 24 part-time employee (contracted to work less than 20 hours per week) to a new full-time Apprenticeship job role (minimum 30 hours per week).

3. What about employers who have only ever converted existing members' of staff onto Apprenticeship programmes but have not recruited new apprentices to the business?

They are still not eligible for AGE 16 to 24 if those existing employees started their Apprenticeship within the last 12 months. Similarly, even if an employer has only recruited adult (25+) apprentices over the last 12 months they would not be eligible to receive the grant under AGE 16 to 24.

4. Can very large (1000-4999) and macro (5000+) employers be supported?

No – very large and macro employers are not eligible. We would encourage very large or macro employers to

support eligible employers in their supply chain to access AGE 16 to 24.

5. Must all of the vacancies created by AGE 16 to 24 be advertised on Apprenticeship vacancies?

Apprenticeship vacancies (Av) is a dedicated free on line recruitment service to help employers recruit their apprentice - matching candidates interested in an Apprenticeship with employers offering them. Wherever possible, employers taking part in AGE 16 to 24, should advertise on Av. The supporting training provider can assist you with this service. However if you recruit outside of the Av system this does not preclude you from claiming AGE.

6. Which young people are eligible?

All 16 to 24 year olds who are looking to start a career through an Apprenticeship, whether they are just leaving school, have been working or are seeking to start a new career. They just need to be living in England and not taking part in full-time education.

7. How will employers receive the AGE 16 to 24?

Quality assured training providers will be responsible for processing payments to employers. Employers become eligible to receive one payment of £1500 when the young person completes week 13 of their Apprenticeship programme. This means that to be eligible for payment the apprentice must complete 13 weeks 'in learning' as recorded in the Individual Learning Record submitted by your training provider, not just 13 weeks in employment with you.

Please note it may take up to 9 weeks for the payment to be processed and paid to your training provider following the 13 week period.

NAS expects the employer to receive the payment within 30 days of the training provider receiving the funds from the Skills Funding Agency. Providers are responsible for

administering the payments in this timely manner.

8. What if the young person leaves – will the employer have to reimburse NAS all/any of the £1500?

As an employer you will sign an agreement which commits you to employing the young person until they complete their Apprenticeship programme, or for a minimum of 12 months whichever is greater. You will become eligible to receive the £1500 payment once the apprentice has completed week 13 of their Apprenticeship programme.

If the apprentice leaves or is dismissed between weeks 1 and 13 you (the employer) will not receive the grant. If the apprentice has completed 13 weeks employment but not 13 weeks 'in learning' as recorded on the Individual Learning Record submitted by your training provider you will not be eligible to receive the payment.

If the apprentice leaves or is dismissed after completion of the 13 weeks and following receipt of the grant there will be no requirement to re-pay the grant. However as defined in the signed Employer Agreement, employers are expected to provide ongoing employment to the apprentice, subject to satisfactory performance as an employee.

9. If I receive a grant for an apprentice can I apply for another grant at a later date?

Yes, eligible employers can receive payment for up to 10 grants. The number of grants you wish to apply for should be detailed at the upfront stage in the Employer Agreement completed with your training provider, this can be amended if circumstances change. Grants can be applied for at different times during the lifetime of the grant. Grants can be applied for by more than one training provider; an Employer Agreement must be completed with each training provider.

Apprenticeships Myth Busting

There are many misconceptions about Apprenticeships...it's really time to sort them out!

Apprenticeships are just for drop outs...FALSE!

Many young people are now opting for the Apprenticeship route after school, sixth-form or college where they can get real experience and a real wage as an alternative to sitting in a classroom. There are many young people who have worked with local businesses and have continued training beyond their Apprenticeship to attain degree and post graduate qualifications whilst still working and earning.

Apprentices are just school leavers brought into organisations for an extra pair of hands...FALSE!

An apprentice is a paid employee of the company in a job role with a productive purpose. They're also respected and work alongside experienced staff who will train them on the job. More and more employers are taking on apprentices as a means of investment for the future of their company. Apprentices can be any age as long as they are 16 or over.

Employment is a fundamental part of an Apprenticeship and in this context is more than just having a contract of employment. An apprentice must be employed in a job role with a productive purpose.

Young people have no work ethic and will leave before the Apprenticeships finishes... FALSE!

Eight out of ten apprentices believe that their Apprenticeship has improved their ability to do their job, provided them with sector-relevant skills and knowledge, and improved their career prospects (*Evaluation of Apprenticeships – Learners. BIS research paper May 2012*)

The Learning and Skills Council surveyed businesses throughout the UK on benefits of hiring an apprentice (*Populus - January 2009*). Of those surveyed: 81% said that employing apprentices generated higher overall productivity for their company.

92% said that their Apprenticeship programme better motivated staff and increased job satisfaction.

74% said that apprentices tended to be more loyal, remaining at their company longer than non-apprentices

Loyalty is a result of the young person following their chosen career and gaining transferable skills such as:

- working in teams
- problem-solving
- communication
- using new technology; and studying (in most cases) for a technical certificate, which provides further knowledge and understanding of the job

In today's economic climate, young people understand that Apprenticeships are a valuable opportunity. It is an employer's and training provider's responsibility to provide guidelines on what they will expect from the young person, as Apprenticeships can be demanding. They are however very rewarding; Apprenticeships train young people in the skills employers want and give them choices in your career.

Youth Apprentices aren't committed, have no respect for authority and will turn up late or not at all...FALSE!

Apprentices are highly motivated people who are keen to learn and have the potential to become 'managers of the future'. They usually work harder and more effectively for your business than non-apprentices. Within BT Engineering, the apprenticeship teams show the highest level of employee satisfaction, currently running at 85%, and this is significantly higher than other (non-apprentice) teams.

The employer and training provider will have different ways of selecting their new apprentices from recruitment days which could involve group activities and tests to interviews.

The employer or training provider will then make sure that the young person has the right amount of support and that the training fits their personal requirements, offers the skills needed for the job and

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satisfies national standards. They will also be there to help the young person through any difficult times.

The employer must give their apprentices an induction into their role, provide on-the-job training and pay their apprentices' wages.

Employment must be for at least 30 hours per week, except in the minority of circumstances where the learner cannot complete the full 30 hours. In these cases employment must be for more than 16 hours per week.

For all Apprenticeships commencing on or after 6th April 2012 the requirement to be employed under an Apprenticeship Agreement is a condition for completion of an Apprenticeship. Without it an Apprenticeship certificate cannot be issued.

Youth Apprentices are not experienced enough to carry out a skilled role...FALSE!

The purpose of the Apprenticeship is for the apprentice to learn on the job, building up knowledge and skills, gaining qualifications and earning money all at the same time. They will work towards a work-based qualification such as a National Vocational Qualification (NVQ) and other

nationally recognised qualifications. Employers all over the country recognise and value Apprenticeships as they show that you've been trained in the skills they need.

Apprenticeships typically take between one and four years to complete, depending on the type of Apprenticeship and the level. There is no set time to complete an Apprenticeship as they vary widely in content and size. The length of time taken will depend on the ability of the individual apprentice and the employer's requirements.

What do employers really think...let's hear from a few!

"FHM is really committed to helping young people. We found the apprentices at a local job fair which we held on the estate and took them on two years ago. Having local apprentices is great because it gives them ownership, and they are very proud of what they are doing. FHM knows that this can help with unemployment, as well as find really talented young people within local communities."

Jan Hodgett – Training Manager, Frank Haslam Milan (FHM)

"At O2, we're with apprentices because we're committed to helping our people grow and progress and we see the value they can offer. Our apprentices are given hands-on experience in a variety of job roles, and we've found that this is a great way to develop raw talent, ensuring they have the knowledge and skills we need to progress in the future."

Ann Pickering – HR Director, Telefonica UK

"You generally get out of life what you put in to it. An Apprenticeship is no different and gives young and mature people the opportunity to develop their professional and personal competencies in parallel....what more could anyone ask for?"

Mark Barclay – Senior Vice-President, Airbus

What do I do next?

Recruiting an apprentice is easy!

Just call the National Apprenticeship Service on **08000 150 600** or go to www.apprenticeships.org.uk

They will help you find your apprentice by advertising your vacancy free of charge on the Apprenticeship vacancies website.

Apprenticeship vacancies

Recruitment made easy

Advertise your vacancies online

Apprenticeship vacancies is the official online recruitment system for Apprenticeships in England and is managed by the National Apprenticeship Service.

The system enables quality vacancies from employers like you to be viewed and applied for nationally by thousands of candidates that register onto our system, making it easy for you to attract and recruit apprentices.

Apprenticeship vacancies lets candidates search for your vacancies using selected

criteria such as geography, occupation, job role and keywords, in addition they can save their favourite searches. The system can be managed by learning providers on your behalf or by you and is designed to manage the recruitment process end to end through to successful appointment of your apprentice.

If managed on your behalf, you can view your vacancies and monitor the progress of applicants throughout the recruitment process.

Key success facts and benefits to your business

- There is no charge for using the service
- It is a national system, it opens up your vacancy to a wider pool of candidates actively interested in Apprenticeships
- A diverse range of private and public sector employers have already advertised their vacancies including British Gas, Ford, New Look, Sky, Cable and Wireless
- Flexibility in who manages the whole recruitment process, your learning provider or you
- The option to direct candidates who see your vacancy on the system to apply directly to your own website job page
- You can search to find learning providers who deliver Apprenticeships in the sector you want to recruit for
- The system is supported by a dedicated National Apprenticeship Service team across England



- The ability for you to view progress against your vacancies if you are not directly managing the process
- The ability for you to display the 'Positive about Disabled People' logo if you have been awarded this standard by JobCentre Plus
- Participation in the guaranteed interview scheme where you are supporting this initiative

A word of support from some employers who have used Apprenticeship vacancies

"Apprenticeship vacancies is a simple to use site that allows anyone hiring the opportunity to create a good professional advert in a standard format. It is a well known site and one of the first sites anyone seeking an Apprenticeship would visit, we certainly received a number of applicants via this route. We expect to be recruiting again in 2010 and will happily use this service again. Thank you."

Andy Johnson, Ford

For our 2009 intake of 16 apprentices we received 50 applications via the online service. It enables young people to apply using technology with which they are familiar and, for employers, it is an efficient way to generate and easily administer applications. We find the online service attracts high-quality applicants for our Apprenticeships."

Roy Bilton,

Siemens Industrial Turbomachinery



"We were so pleased with the quality of the candidates; we do not see any point in going anywhere else for our recruitment needs. We were given excellent service and found the perfect apprentice!"

CW Pro, Working with Business to Business