

A GUIDE TO INCLUSIVE APPRENTICESHIPS, INCENTIVES & COSTS

Off the job training: timeframes

The minimum duration of any apprenticeship is based on the apprentice working 30 hours a week or more, including any off-the-job training they undertake. Within an Inclusive Apprenticeship the weekly hours can be reduced and accordingly the duration of the apprenticeship will be extended to take account of this.

The time spent on off-the-job occupational training should be at least 20% and should be included as part of working hours. If support is needed with English and maths, this should also be within the working hours timeframe.

NB: 20% is the minimum as it is recognised that some apprentices may need more

If training must take place outside of the apprentice's normal working hours, e.g. in an evening or at a weekend (for an apprentice that normally works Monday to Friday between 9-5) this must be recognised through time off in lieu or by an additional payment to the individual.

Off the job training: examples

Off-the-job training can include:

“The teaching of theory (for example: lectures, role playing, simulation exercises, online learning or manufacturer training)”

“Practical training: shadowing, mentoring, industry visits and participation in competitions”

“Learning support and time spent writing assessments / assignments.”

Off-the-job training does not include “*English and maths (up to level 2) which is funded separately.*” Time to study for maths and English qualifications would therefore also need to be added to and included within off the job training time.

Employer Incentive examples (from 1 April to 30 September 2021)

Example: Company employs a 19-year-old apprentice with an EHCP:

Employer receives:

90 days £500 (1st part payment of 16-18-year-old/EHCP incentive)
 £1,500 (1st part of additional incentive up to 30/09/2021)
90-day payment: £2,000

365 days £500 (2nd part payment of 16-18-year-old/EHCP incentive)
 £1,500 (2nd part of additional incentive up to 30/09/2021)
365-day payment: £2,000

Total Incentives: £4,000

To receive the full payment, the apprenticeship must last for at least one year

Payment of the 16-18-year old/EHCP incentive is made by the Training Provider

The additional incentive is a government payment made directly to the employer's bank account. The payment is different to apprenticeship levy funds so they can spend it on anything to support their organisation's costs e.g. on uniforms, apprentice's travel or salary costs. Employers do not have to pay this back.

Employer Costs: Wages

Example: 19-year-old with EHCP undertaking an Inclusive Apprenticeship over 2 years

(based on the standards minimum of 30 hours a week split over 2 years = 15 hours per week)

- Pay is based over 52 weeks of the year regardless of whether the employer works on a term time only contract*
- An additional 3 months are required to undertake the End Point Assessment which must also be paid at the age-related rate of pay
- All apprentices can be paid the National Apprenticeship wage for the first year of their apprenticeship regardless of age (see table for rates of pay from April 2021)

Year One:

15hrs x £4.30ph = £64.50 per week

£3,354 per annum

Year Two:

15hrs x £6.56ph = £98.40 per week

£5,117 per annum

Additional End Point Assessment wages:

15hrs x £6.56ph = £98.40 per week

£1,181 (12 weeks)

Total Wages: £9,652

£4,826 per annum

Note: if the individual becomes 21 within this period of time the rate of pay increases to £8.36ph

*The only way this can be amended is if the employer pays an apprentice for term-time only working hours over 39 weeks a year. However, the length of the apprenticeship will then increase proportionately i.e. by an additional 13 weeks per year which will still require wages to be paid for this additional period

Employer Costs: National Apprenticeship rates of pay

Age of apprentice	From 1 April 2021 rate per hour
25 and over (National Living Wage)	£8.91
21 and over	£8.36
18 to 20	£6.56
Under 18	£4.62
Apprentice (all apprentices under the age of 19 AND any apprentice, regardless of age, in first year of apprenticeship)	£4.30

Employer Costs: Apprenticeship Levy Payment

- The Apprenticeship Levy is a levy on UK employers to fund Apprenticeships. Training provider costs are then taken from this fund
- The levy is charged at a rate of 0.5% of an employer's pay bill. Each employer will receive an allowance of £15,000 to offset against their levy payment
- Non-Levy paying employers will pay 5% towards to the cost of Apprenticeship training with the government paying the rest (95%)
- For employers with less than 50 workers, the government will pay 100% of the Apprenticeship training costs for 16-18-year olds, or 19 to 24-year olds with an EHCP

Example One: 19-year-old with EHCP undertaking an Inclusive Apprenticeship over 2 years

Apprentice training cost £4,000

5% levy cost is waived as the individual has an EHCP

Total Levy Cost: £0