

Apprenticeship Levy

15 useful negotiating tips



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Are you a trade union officer or rep? If so, the following negotiating tips can help make sure that the Apprenticeship Levy is used on good quality Apprenticeships.

Fact finding, first conversations and planning

The Apprenticeship Levy requires all employers operating in the UK, with a pay bill over £3m each year, to make an investment in Apprenticeships. To make sure the levy leads to good quality Apprenticeships, you will want to speak to your employer and work together to develop a plan.

→ Ask your employer if they know about the levy.

→ Find out if your employer will have to pay it.

The key piece of information you need to find out is the size of the employer's payroll. If the payroll is over £3m, then the employer will have to pay the levy.

→ If your employer doesn't have to pay the levy, but still wants to recruit apprentices, there's good news, the government will cover 90 per cent of the costs of Apprenticeship training and assessment.

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- If your employer does have to pay the levy, find out if they have a plan to take on apprentices, because they will be able to access funding for that purpose. Have you been shown a copy of the plan? Your employer should consult with you about the implications of the levy.
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- If there's no plan in place, you can help the employer develop one and make sure the funding is spent on good quality Apprenticeships.
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You can use the TUC Apprenticeships Toolkit which sets out the key components of a high quality Apprenticeship. This can be found at:

www.unionlearn.org.uk/apprenticeships-toolkit

For further information about what the Apprenticeship Levy is, who it will affect and how it will operate, go to:

www.unionlearn.org.uk/apprenticeship-levy



Developing a plan

Work with your employer to understand how much their levy payment will be. This government tool might be helpful: <https://estimate-my-apprenticeship-funding.sfa.bis.gov.uk>

- The employer will want to understand how they can get their money back. You will need to find out the costs associated with current and future Apprenticeship programmes:
 - Find out the cost of existing Apprenticeship programmes (both in terms of training and assessment costs, and wages).
 - Find out the numbers of apprentices recruited.
 - Find out the types of Apprenticeships they are doing.
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- Encourage your employer to think about the wide range of Apprenticeships that are available. It doesn't have to be more of the same:
 - For example, higher level Apprenticeships might be able to plug future skills gaps.
 - You can help identify skills that the employer needs for the future and the skills that your members feel they need.

- By working with you to identify future skills gaps and to identify the needs of the workforce, the employer is more likely to utilise their levy expenditure.

→ Your employer may have always used one local provider. The existing relationship may be great and work well, but it's worth exploring the options available:

- Encourage your employer to speak to and negotiate with a range of different providers to find a relevant Apprenticeship.
- Shop around if the provider can't offer what is needed in terms of quality, Apprenticeship framework/standard and price.
- Work with your employer to assess Apprenticeship packages that different providers are offering.
- Try and negotiate additional components to the Apprenticeship which will mean a better quality experience for apprentices.

“ You will need to find out the costs associated with current and future Apprenticeship programmes. ”



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- You (or your union) may have relationships with other stakeholders such as Sector Skills Councils who could help broker new relationships with providers and explore potential Apprenticeships which would help the employer.

➔ For a full list of Apprenticeship frameworks, standards and which funding band they come under, go to:
www.gov.uk/government/publications/apprenticeship-funding-from-may-2017



Making sure the Apprenticeships are high quality

If your employer agrees to setting up an Apprenticeship programme, you might consider using the TUC Apprenticeships Toolkit and unionlearn Quality Award to negotiate good quality Apprenticeship programmes. Some of the factors you may want to consider:

- ➔ Highlight the importance of the role of union reps in the Apprenticeship programme. For example:
 - Union learning reps can assist with mentoring programmes and provide additional English and Maths support to Apprentices.
 - Health and safety reps can make Apprenticeships even safer.
 - ULRs can carry out workforce skills audits which will help employers plan for their businesses future skills needs.
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“ Highlight where Apprenticeships can be progression routes to future jobs in the organisation. ”

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- Before the employer and provider are ready to begin recruiting make sure they have considered practical steps that can be taken to widen Apprenticeship access to underrepresented groups. Your union and unionlearn have additional guidance on this.
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- Work with the employer to include a mentoring programme for apprentices, so that they feel supported and welcomed into a new workplace. Union reps can help with this. This is likely to lead to improved completion rates for apprentices.
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- Highlight where Apprenticeships can be progression routes to future jobs in the organisation. Clear routes and pathways should be developed so apprentices can progress on to higher learning opportunities and careers.
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- Speak to other union reps and officers to see whether apprentices are covered by any collective agreements on pay. Consider seeking an agreement with the employer on apprentice pay rates.
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For more information about unions
and Apprenticeships contact
unionlearn@tuc.org.uk

