

# The Public Sector Apprenticeship Target



Department  
for Education

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APPRENTICESHIPS

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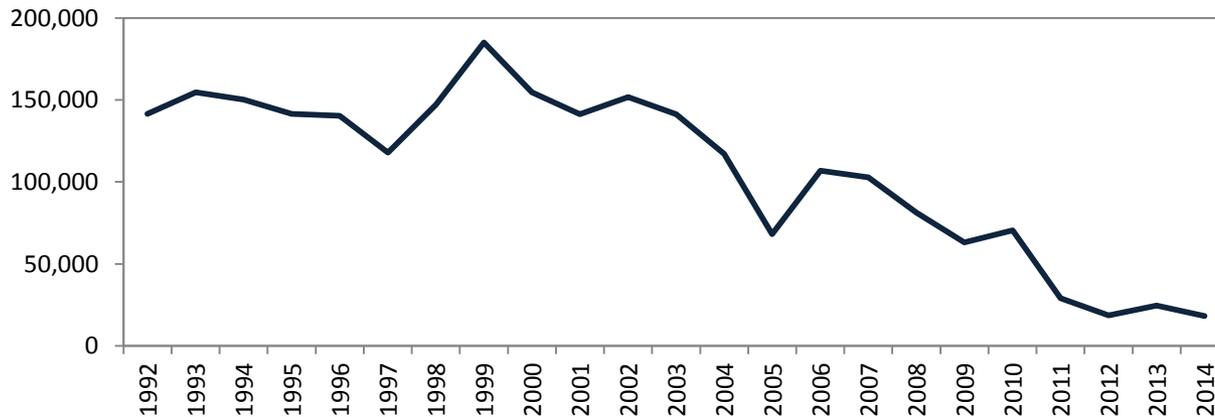
Assessment and support



# Action is needed

UK productivity lags behind other developed economies and employers are investing less in training. Meanwhile relative social mobility has stagnated or declined over recent decades. Apprenticeships contribute to addressing these challenges.

That's why the government is committed to significantly increasing the **quantity and quality of apprenticeships** in England and **achieving 3 million starts by 2020**.



*Number of employees who worked fewer hours than usual because they attended a training course away from their workplace*

Apprenticeships provide good economic returns, but there are not enough of them to meet demand or fill skills gaps. We also need to continue to drive up the quality of apprenticeship training and ensure that anyone completing an apprenticeship is fully competent in their occupation.



# The public sector has a part to play

In order to achieve 3 million starts the public sector needs to improve from its current position of delivering comparatively fewer apprenticeships than the private sector.

1. Establishing new expectations for the public sector to employ more apprentices complements our previous action to leverage public spending to further this important agenda; building social mobility and the capacity and capability of public sector organisations in the process.
  - We previously established that provision of apprenticeships should be taken into account during public procurement of contracts worth more than £10 million and lasting for longer than 12 months.
  - The Civil Service will be leading from the front, with a Civil Service Apprenticeship Strategy due to be published in early 2017.
2. Expanding the number of apprenticeships will improve the capacity and capability of the public sector. This will ensure that it benefits from the same positive impacts as other employers, as well as enabling more people to achieve their potential.



# What is the public sector apprenticeship target?

The 'target' is for public sector bodies with more than 250 employees in England to employ an average of at least 2.3% of their staff as new apprentices from 2017-2021.

1. Subject to parliamentary approval of regulations, the target will come into effect from 1 April 2017.
2. The target will be assessed as an average from 2017/18-2020/21 to give public bodies the flexibility to manage peaks and troughs in recruitment.
3. Public sector bodies with 250 or more staff in England will be in scope of the target.
4. The target will assess the number of apprentices working for a public body in England, as a percentage of that body's headcount in England.
5. Bodies in scope will be asked to, publish certain information identifying their progress towards the target, and to share further information, detailing the actions they have taken, with DFE.
6. Public sector bodies have a legal duty, established in the 2015 Enterprise Act, to have regard to the target. We currently interpret this as bodies considering apprenticeships in their workforce planning, for reasons of recruitment and training/ development.
7. Government departments will continue working with their wider public sectors to support them in preparing for the target's introduction.



# The target: WHAT

The target has been calculated to ensure that the public sector delivers its fair share of the 3 million target, with an average 2.3% of annual headcount chosen to reflect this.

1. The target is a measure of the annual apprenticeships starts within a public sector body as a percentage of the total headcount of that body at the beginning of the reporting period.
2. The target is based on annual starts and headcount to ensure the public sector delivers its fair share and to promote better outcomes and prevent inflation of apprenticeship numbers through artificially extending them to cover multiple years.
3. New 'apprenticeship starts' can include both existing employees who start on an apprenticeship, as well as newly employed apprentices.
4. Headcount includes anyone on an employer's payroll, including temporary staff, at the start of each respective reporting year.
5. Apprentices who are working for an organisation but employed through an Apprenticeship Training Agency can count towards the organisation's target. However, they must also be included in the organisation's headcount in their annual returns.
6. Apprentices employed by sub-contractors who supply goods and services to a public body cannot be counted towards the target.



# The target: WHEN

The target will come into force from 1 April 2017. The first response period will begin from 1 April 2018 and last until 30 September 2018.

1. The regulations to bring the target into law will be laid in Parliament in the coming weeks and come into force by 31 March 2017. Subject to parliamentary approval of these regulations, the target itself will come into force from 1 April 2017.
2. The target will cover the financial year 1 April to 31 March across the following periods:
  - 1 April 2017 to 31 March 2018
  - 1 April 2018 to 31 March 2019
  - 1 April 2019 to 31 March 2020
  - 1 April 2020 to 31 March 2021.
3. The target period will be the same for all bodies in order for information to be collated and compared and was chosen following feedback received.
4. Response periods, from which point bodies would be expected to submit their progress towards the target, will begin from 1 April of each respective year and last 6 months, until 30 September of each year.



# The target: WHO

Unless explicitly stated otherwise, all public bodies with a headcount of 250 or more in England at the start of a reporting year will be in scope of the target.

1. The bodies in scope will be reviewed annually and were identified with reference to the [ONS' National Accounts Sector Classification](#).
2. Only a few public bodies included on the ONS list, which have a headcount of 250 or more in England, will be out of scope of the target.
3. Those out of scope include; BBC, Channel 4, 'financial institutions', the Post Office Limited, the Houses of Parliament, further education colleges and universities, GCHQ, and certain; housing associations, housing trusts, independent schools and charities.
4. A body's eligibility will be determined with reference to its headcount in England, on 31st March in each of 2017, 2018, 2019 and 2020;  
Bodies will remain in scope even if their headcount falls below 250 during the reporting year.  
Bodies will not move into scope until the following reporting period if their headcount in England rises above 250.
5. Apprenticeships policy is a devolved matter and the duty therefore applies to England only.



# The target: REPORTING

Bodies will be asked to; publish certain information identifying their progress towards the target and to share further information, detailing their actions taken, with DFE.

1. Reports will be due within six months of the end of each reporting period so by 30 September each year:
  - 30 September 2018
  - 30 September 2019
  - 30 September 2020
  - 30 September 2021.
2. Employers will record their headcount number at 31st March each reporting year and will work out the apprenticeship figures required to meet 2.3% average annual starts.
3. To ensure public bodies are having regard to the target and in order to increase transparency;
  - Public bodies will be required to publish information on their progress towards meeting the apprenticeships targets on an annual basis.
  - Public bodies will also be required to send additional information to the DFE Secretary of State detailing their actions towards 'having regard' to the target.



# REPORTING – Progress towards the target

We will set out in employer guidance exactly what information is needed and the specific format in which it should be returned.

1. This will include as a minimum the information set out in the Enterprise Act 2016:
  - 1) The number of employees whose employment by the body began in the reporting period in question;
  - 2) The number of apprentices who began to work for the body in that period and whose apprenticeship agreements also began in that period;  
(2) expressed as a percentage of (1).
  - 3) The number of employees that the body has at the end of that period;
  - 4) The number of apprentices who work for the body at the end of that period;  
(4) expressed as percentage of (3).
  - 5) In addition, if that reporting period is the first reporting period in the target period, the number of apprentices who worked for the body immediately before that period.



# REPORTING – Actions taken to meet the target

The annual information returns will provide an opportunity for organisations to explain any factors which they feel have hindered their efforts to meet the target, and their efforts to overcome these factors.

1. The Government expects that all organisations will strive to meet their target and will take steps to improve apprenticeship take-up year on year.
2. The Government considers the duty to ‘have regard’ to the target to mean that, in making workforce planning decisions, a body subject to the duty must actively consider apprenticeships, either for new recruits or as part of career development for existing staff.
3. Examples of actions taken to meet the duty include:
  - A relevant framework or standard is not currently available but the organisation is involved in developing new standards and has plans for individuals to start on these;
  - An organisation is planning a major recruitment the following year which would bring their average number of apprenticeship starts up to/above the target.



# The target: ASSESSMENT

In its assessment, Government will consider a public body's progress towards the target as well as any further information a body provides detailing the actions they have taken towards meeting the target.

1. If a body which has not met the target but believes it has had regard to the target and therefore upheld the duty, then the body should set out why this is, what their plans are to redress this and any actions they may have already taken.
2. These factors will be considered during assessment of progress towards the target.
3. Reasons for why a body may have been unable to meet the target could include:
  - An organisation has a large number of part time workers whose Full Time Equivalent makes it difficult to meet the numbers of apprentices needed and/or due to the number of hours they work are not eligible for apprenticeships. This would need to be supported by appropriate evidence.
  - An organisation employs a higher proportion of apprentices on two-or-more-year apprenticeship programmes. This would need to be supported by appropriate evidence.



# The target: SUPPORT

The Government will primarily focus upon supporting, monitoring and managing progress towards the public sector target.

1. The National Apprenticeship Service (within the SFA) will take the lead in engaging large in scope public bodies and supporting them to meet the target.
2. The Institute for Apprenticeships will oversee the delivery of new apprenticeship standards in the future, promoting quality and ensuring that new standards are employer-led.
3. Government departments will work proactively to support their wider public sector bodies to deliver against the target.
4. Higher levels of Relationship Manager support also mean that more standards have been approved in the last year than in the previous two years combined.
5. Where appropriate, the DFE, SFA and/or CO will work with the relevant central Government department and bodies to establish why bodies may have struggled to meet the target, how it can be prevented from happening again, and what further action or support should be taken.



# The target: FAQ - The Apprenticeship Levy

Starts on 6 April 2017, at a rate of 0.5% of pay bill, paid through PAYE. The levy applies to all UK employers in all sectors and the £15,000 allowance is not a cash Payment.

1. Paying the levy; employers pay their levy to HMRC, through the PAYE process; single employers with multiple PAYE schemes will only have one allowance; connected employers will share one allowance.
2. Levy funds will be available through the Digital Apprenticeship Service (DAS) on gov.uk with the first funds appearing in accounts from late May 2017.
3. There will be a 10% government top up to all monthly funds entering an account.
4. There are two types of employers who will benefit from government support towards the cost of their apprenticeships training:
  - Employers who haven't paid the levy and want to purchase apprenticeship training from a provider;
  - Levy-paying employers who, with insufficient funds in their digital account to pay for the cost of training and assessment, want to make further purchases;
    - The employer will be responsible for paying just 10% of the costs.
    - The government will pay 90% of the costs of training and assessment.



# The target: FAQ - What is an apprenticeship

Apprenticeships combine practical training in a job with study.

1. There are rules governing what an apprenticeship is. The main ones are:
  - The apprentice must be employed in a real job.
  - The apprentice must work towards achieving an approved [apprenticeship standard](#) or [apprenticeship framework](#)
  - The apprenticeship training must last at least 12 months
  - The apprentice must spend at least 20% of their time on off-the-job training
  - They must be paid the relevant [national minimum wage](#)
  - They may be an existing employee or a new hire.
  - Apart from exceptional circumstances, such as caring responsibilities, apprenticeships are full-time jobs and should be for at least 30 hours per week.
2. These rules are consistent across all apprenticeships levels, from intermediate (level 2) to degree (level 6 & 7).

Employing an apprentice is very simple. The [National Apprenticeship Service](#) can provide all the information you need to know in order to employ an apprentice



# The target: OTHER FAQs

The 'target' is for eligible organisations to employ an average of at least 2.3% of their staff as new apprentices over the period 2017-2021.

1. The duty applies to England only. Where public bodies also operate elsewhere, the target will be set in respect of the proportion of the public body's workforce which works in England.
2. Provided that they are different apprenticeships, on different standards/ frameworks, and assuming that the first apprenticeship was completed successfully, an employee would be able to start more than one apprenticeship within the target period and have them both count towards the target.
3. Employer-led standards which are responsive to the needs of business are crucial in ensuring that apprenticeships remain a great opportunity to work and train. For this reason we have increased Relationship Manager support and expect that standards should take no more than a year to fully develop.
4. Government is not being prescriptive about how the numerical information detailing a body's progress towards the target should be published, but it should be accessible to the public. Bodies do not have to publish the narrative information detailing actions they have taken towards meeting the target.

