Apprenticeships in Schools – Guidance

1.0 Introduction

Apprentices can be new joiners to the school or they can be existing staff. This guidance is written largely with new apprentices in mind although some of it would also apply to existing staff who take on an apprenticeship. The pay section is for new joiners as apprentices. Existing staff undertaking apprenticeship training will be paid on the rate of their substantive position at the school.

2.0 Statutory National Minimum Wage/National Living Wage Rates

The hourly minimum wage a worker should get depends on their age and if they're an apprentice.

The government has set a statutory:

- **National Minimum Wage (NMW)** Workers must be at least school leaving age (last Friday in June of the school year they turn 16) and under 25
- National Living Wage (NLW) Workers must be 25 or over
- **Apprentice Rate** Apprentices aged under 19 or aged 19 or over and in the **first year** of their apprenticeship

2.1 Current Rates – NMW/NLW/Apprentice

The National Minimum Wage is the minimum pay per hour almost all workers are entitled to. The National Living Wage is higher than the National Minimum Wage and workers get it if they're over 25.

It doesn't matter how small an employer is, they still have to pay the correct minimum wage. Contracts for payments below the minimum wage are not legally binding. It's a criminal offence for employers to not pay someone the National Minimum Wage or National Living Wage.

The minimum hourly rate for apprentices depends on age **(under 19)** and whether the apprentice in their **first year** of apprenticeship **(aged 19 or over and in the first year of their apprenticeship)**. However, employers may choose to pay the apprentice at a higher rate. This could be through applying the National Minimum Wage (age related); using Ealing Council's apprenticeship allowance rates (see Section 4.0) or placing the apprentice at the bottom end of the pay scale for support staff (Grade 1, spinal point 7 which is currently £10.91 per hour)

The hourly rates below are for the National Living Wage and the National Minimum Wage. The rates change every April.

| Year | 25 and over (NLW) | 21 to 24 (NMW) | 18 to 20 (NMW) | Under 18 (NMW) | Apprentice |
|------------------------------|----------------------|-------------------|-------------------|-------------------|------------|
| April 2018 (current rate) | £7.83 | £7.38 | £5.90 | £4.20 | £3.70 |
| April 2019 | £8.21 | £7.70 | £6.15 | £4.35 | £3.90 |

Example 1

An apprentice aged 22 in the **first year** of their apprenticeship is entitled to a minimum hourly rate of £3.70.

An Apprentice aged 19 in their **second year** of apprenticeship is entitled to a minimum hourly rate of £5.90.

Apprentices are entitled to the minimum wage for their age if they **both**:

- are aged 19 or over
- have completed the first year of their apprenticeship

Example 2

An apprentice aged 22 who has completed the first year of their apprenticeship is entitled to a minimum hourly rate of £7.38.

2.2 The real Living Wage/London Living Wage/UK Living Wage

This is based on the cost of living and is voluntarily paid by many employers.

- real Living Wage (rLW) or London Living Wage (LLW) as known in London (*This covers all boroughs in Greater London*)
- UK Living Wage (for outside of London)

2.3 Current Rates - LLW

| | 2019 Hourly Rate (Over 18) |
|--|----------------------------|
| London Living Wage (applies to Ealing) | £10.55 |
| UK Living Wage | £9.00 |

The rates are announced on Monday of the first week of November each year. Employers should implement the rise as soon as possible and within 6 months. All employees should receive the new rate by 1st May the following year.

These 2 rates are calculated annually by the Resolution Foundation and overseen by the Living Wage Commission, based on the best available evidence about living standards in London and the UK. Before 2016 the London Living Wage was calculated by the Greater London Authority and the UK rate was calculated by the Centre for Research in Social Policy at Loughborough University.

It is for employers to choose to pay their employees a rate higher than the national minimum wage. Ealing Council has a commitment to pay the London Living Wage to all workers including apprentices who eventually get this amount for Level 3 apprenticeships and above. Ealing Council is proud to have been accredited by the Living Wage Foundation as a living wage employer since 2013. For 2018-19 the Council's Pay Policy approved the continuation of a policy that no employee or agency worker is paid less than the real Living Wage (rLW). This policy will be reviewed annually and determined each year by Full Council.

Ealing Council commends to School Governing Bodies that they consider paying a minimum of the LLW rate to schools based employees (whether permanent or fixed term) and to agency workers working in schools. The Council recommends that schools apply the same rates of pay to their apprentices as applied by Ealing Council. The table below shows the apprenticeship rates used by Ealing Council.

3.0 Decisions for Schools

It is up to each school to decide whether they are going to pay above the statutory minimum wage rates to their apprentices and if they are going to adopt the LLW for schools based employees.

- 1. Schools must pay the Statutory Minimum Wage Rates to New Apprentices
- 2. Schools can agree any pay rate above the Statutory Minimum (maintaining consistency within the school for the different levels of apprenticeship found within Dfe guide) <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachme nt_data/file/720362/A_guide_to_apprenticeships_for_the_school_workforce.pdf</u>
- 3. Schools can consider adopting the Ealing Council apprentice pay rates see table below
- 4. Schools to consider if new apprentices are going to be on a 6 month probation period and set a higher rate of pay after a successful 6 month probation period or keep the same rate of pay for the duration of the first year of apprenticeship.

| Rate commencement | Rate name / Per hour | Annual complete total+ | |
|--|---|---|--|
| L2 Apprenticeship | | L2 | |
| start probation first 6 months | L2 Start Rate* £6.00 | Start rate same across for all age. Apprentices are not 'established' employees of the Ealing Apprenticeship scheme. For example, being exempt from Sick pay at any Level Apprenticeship (Unless a current employee taking on an apprenticeship qualification). They will only receive SSP. <u>After the first three days</u> at no SSP at all. NMA is the over 25's rate that here in Ealing is paid to all Apprentices regardless of age i.e. under 25 years of age | |
| Then 6 - 12 months | National Minimum Wage** (NMA) £7.83 | | |
| L3 Apprenticeship | | L3 | |
| First 6 months | Nat Living Wage*** £8.21 | The over 25 rate paid to all apprentices regardless of age i.e. a 16 year old will be paid the same amount too. This is so Apprentices are recognised for the Level they are on and not age related. | |
| Then 6 month to 18. A standard L3 Business admin qualification is up 18 months with Ealing Apprenticeship scheme | London Living Wage**** £10.55 | | |
| L4 Apprenticeship | | L4 | |
| 12 months (x2)* | London Living Wage**** £10.55 | As above The L4 is typically a 24 month placement. | |

4.0 Ealing Council Apprenticeship Allowance Rates-April to April 2019

| * L2 Start Rate | The minimum rate per hour that the council will pay to apprentices as part of the apprenticeship scheme | |
|--------------------------|---|--|
| ** National Minimum Wage | Nationally set rate that has annual incremental increases in April and October | |
| *** National Living Wage | | |
| **** London Living Wage | | |

5.0 Apprenticeships – Additional Information

5.1 Overview

Apprentices must be aged 16 or over not in full time education and eligible to work in the UK. Apprentices combine working with studying to gain skills and knowledge in a specific job. Apprentices can be new joiners or current employees.

Employers can get government funding towards the cost of training and assessing an apprentice.

Apprenticeships are work-based training programmes which will lead to a nationally recognised qualification. Apprentices must spend at least 20% of their time on off-the-job training. Apprentices can attend day release at local colleges or specialist training providers as part of their training. It is for the employer and training provider to decide how off-the-job training is delivered.

Apprentices must:

- work with experienced staff
- learn job-specific skills
- study during their working week (for example, at a college or training organisation)

5.2 Hiring Apprentices

Employers can use an apprenticeship training agency/provider if they want to employ an apprentice without the responsibility for running the apprenticeship scheme.

5.3 What is the role of the training provider?

The training provider has a key role to play in providing apprentices an induction programme, a detailed training plan including on and off-the-job training, regularly assessing progress towards achieving qualifications and supporting generally during the apprenticeship. Employers must agree a price for the total cost of each apprenticeship, including the training costs and any subcontracted training with the training provider.

5.4 Length of Apprenticeships

Apprenticeships must last for at least a year. They can last up to 5 years depending on the level the apprentice is studying towards. An apprentices' working hours would include any off-the-job training. Employers must allow apprentices time to complete their apprenticeship within working hours.

5.5 Funding/ Apprenticeship levy

Employers can get help from the government to pay for apprenticeship training. The amount depends on whether employers pay the apprenticeship levy or not. Employers with a pay bill over £3 million each year pay the levy.

5.6 If Employers pay the Levy

Community Schools in Ealing pay the levy as they are considered part of Ealing Council's apprenticeship levy account. These schools can receive funds to spend on training and assessing their apprentices. The government will add a 10% top up to the levy collected.

5.7 If Employers don't pay the levy

Non-levy paying employers will share the cost of training and assessing their apprentices with government - this is called 'co-investment'.

Employers pay 10% towards the cost of training and assessing their apprentice. They need to:

- agree a payment schedule with the training organisation
- pay them directly for the training

The government will pay the rest (90%) up to the funding band maximum. They'll pay it directly to the training organisation.

5.8 Pay and Conditions for Apprentices

Employers are responsible for paying their apprentices wages and giving them their contract of employment.

Employers must pay the apprentice at least the statutory minimum apprentice wage. This is dependent on the age and whether the apprentice in their first year of apprenticeship. However, the employer may choose to pay the apprentice at a higher rate. At Ealing Council, a decision has been taken to pay apprentices depending on the level of apprenticeship being undertaken and the length of the apprenticeship. Please see table of Ealing Council apprenticeship pay rates above.

Apprentices should receive an induction with their employer in order to familiarise themselves with the School's policies, procedures and expectations. Particular attention should be paid to the School's safeguarding procedures and on ensuring apprentices are aware who to approach to report any issues or concerns.

5.9 Conditions

Apprentices must work towards an approved apprenticeship standard or framework. Their training must last at least 12 months.

They must be employed in a real job that gives them the opportunity to gain the knowledge and skills they need to pass their assessment.

Employers must pay their apprentices for time spent training or studying for their apprenticeship, whether while at work or at a college or training organisation.

Employers must offer apprentices the same conditions as other employees working at similar grades or in similar roles. This includes:

- paid holidays
- sick pay
- any benefits you offer to other employees
- any support you offer such as coaching or mentoring

Apprentices are entitled to join their employers pension scheme, the most common of which in Ealing Schools is the Local Government Pension Scheme (LGPS).

5.10 Apprentices and the working time regulations for young people

Apprentices under 18 are covered by many of the special protections in the working time regulations for young workers under 18, e.g. young workers must not exceed the 8 hour a day or 40 hours per week. They are also entitled to paid holidays and rest breaks of at least 30 minutes if their shift lasts more than four and half hours.

5.11 Early termination of Apprentices and redundancy

Apprentices have the same employment rights as your other employees. Therefore, you should follow your school's procedures e.g. disciplinary procedure for early termination of employment or redundancy procedure for making an apprentice redundant. The HR Schools Consultancy Team can provide advice.

5.12 The expiry of the Apprentices fixed term contract

Apprentices are normally employed under a fixed-term contract with a defined end date for a specific purpose and that purpose is the training of the apprentice. So, at the end date of the apprenticeship when that training is complete their apprenticeship contract will end and the apprentice will not be considered to have been made redundant. Instead, they will be legally considered to have been dismissed for 'some other substantial reason'. The apprentice is also entitled to receive a written reason for dismissal.

Schools should follow good practice and at least 2 months before the end of the apprenticeship, arrange to meet the apprentice to inform them that their contract is due to end and follow this up in a letter to the apprentice with the reason of dismissal for some other substantial reason as end of apprenticeship training. The HR consultancy team can advise on the content of any such letter.

5.13 Continuing to employ an Apprentice

If in agreement with all parties, Schools decide to extend the apprenticeship training period beyond end date of the original contract for the successful completion of the training by the apprentice, a variation to the original contract end date would be required.

If an existing apprentice at a school is going to undertake a further apprenticeship immediately following the end of the first, school's will be required to issue a new apprenticeship contract with an end date.

If schools wish to continue to employ the apprentice at the end of their apprenticeship contract. Schools would need to recruit the apprentice to a vacant position through a recruitment and selection process.

5.14 Trade Union Membership

Ealing Council supports the system of collective bargaining and encourages employees to consider membership of an appropriate Trade Union.

5.15 Apprenticeship agreement

Employers must sign an apprenticeship agreement with an apprentice. The apprenticeship agreement is a statutory requirement for the employment of an apprentice in connection with a recognised apprenticeship framework or approved apprenticeship standard. It forms part of the individual employment arrangements between the apprentice and the employer;

it is a contract of service (i.e. a contract of employment) and not a contract of apprenticeship. If all the requirements of section 1 of the Employment Rights Act 1996 are complied with, the apprenticeship agreement can also serve as the written statement of particulars of employment.

The HR Administration team have a template apprenticeship agreement which they will issue if the school buy their service.

The agreement gives details of what the employer agrees to do for the apprentice, including:

- Length of their employment
- Their training
- Their working conditions
- the qualifications they are working towards

5.16 Commitment statement

Employers must have a commitment statement signed by the employer, the apprentice and the training provider.

It must include:

- the planned content and schedule for training
- what is expected and offered by the employer, the training organisation and the apprentice
- how to resolve queries or complaints