

THE EMPLOYER'S GUIDE TO APPRENTICESHIPS FOR SMEs





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DID YOU KNOW

Whether you want to recruit someone new or simply upskill an existing member of your team, **apprenticeships are the most cost-effective way of training your workforce.**

However, recruiting or enrolling an apprentice can be daunting; that's why we've created this guide for you. We'll de-mystify the whole process, explaining things like getting funding, recruitment, supporting your apprentice and the difference between on-the-job and off-the-job training.

Together, through apprenticeships, we can overcome the challenges that face most SMEs: skills shortages and attracting and retaining talent; and doing this in a way that's simple, easy, and cost-effective.

78%

of small firms in England have struggled to recruit in the past 12 months.*

Of those, **82%** were due to a lack of individuals with the relevant qualifications, skills and experience.*

73%

of SMEs agreed that recruitment and upskilling would give them an advantage over competitors.**

Small business owners identify technical skills **(48%)** and leadership and management skills **(26%)** as the most important to achieving future growth.*

SME owners believe that upskilling through apprenticeships provides the opportunity to shape young talent **(55%)**, plugs skills gaps **(50%)** and is an economic way of upskilling **(48%)**.**

*'Scaling Up Skills', Federation for Small Businesses

**Department of Skills, Apprenticeships and Higher Education, 'SME Skills Horizon 2024'

What is an Apprenticeship?

An apprenticeship is a real job that enables individuals to earn while they learn, gaining valuable knowledge, skills and behaviours tailored to a specific job role. Apprentices, like any other employees, have a contract of employment.

Apprenticeships are a great way to train an employee because they combine practical work experience with study. This is particularly good news for SMEs, because your apprentice can still contribute to your business as they learn. This also means that they can apply what they have learnt immediately, giving you instant results.

Furthermore, instead of simply delivering a 'one-size-fits-all' training course, your apprenticeship provider will work with you to tailor the course to meet your needs; as an employer, this means that investing in apprenticeship training enables you to demonstrate your commitment to the development of your employees, while making sure they have all the skills and knowledge that your business needs.

Apprenticeships can be studied by anyone over the age of 16, with no upper age limit. Apprentices must be paid **at least** the National Minimum Wage for their age, although you may of course pay them more.



The Benefits of Apprenticeships for SMEs

“One of the benefits that maybe I hadn’t anticipated is the motivation. People are really enthused and motivated by the fact that they’re undertaking this qualification. They’ve got a qualification to aspire to and they feel valued that we’ve invested in them.”

- Steven Sutherland PM Law Group

There are many benefits to apprenticeships:

1. Cost Effective

Apprenticeships are heavily-funded by government, so are extremely cost-effective compared to other training routes. Furthermore, they’re a great way to bring early-career talent into your business and develop it over the long term

2. Customised Training

Apprenticeships allow you to train individuals according to the specific needs and practices of your organisation; developing skills and knowledge tailored to your company culture and values

3. Increased Productivity

Apprentices often bring enthusiasm and a fresh perspective, which can boost team morale and productivity



4. Tax Benefits and Reduced Overheads

Most apprenticeship programmes will be eligible for funding that covers all, or almost all, of the cost of training. For further details see the section on 'Funding Apprenticeships'

5. Enhanced Employee Retention

Apprentices often develop strong loyalty to the company that trains them, leading to higher retention rates once their training is complete. Building long-term relationships with apprentices reduces recruitment costs and ensures continuity

6. Fresh Ideas & Innovation

Young apprentices may bring new ideas and perspectives, particularly in areas such as technology or customer engagement. This can inspire innovation and help keep your business competitive

7. Improved Reputation and Community Engagement

Supporting apprenticeships demonstrates a commitment to workforce development, which can enhance your business's reputation. It positions your company as a contributor to the local economy and community, fostering goodwill

8. Filling Skills Gaps

Apprenticeships help address skills shortages by creating a pipeline of trained workers who meet your company's technical or specialised needs

9. Adaptable Workforce

Apprenticeships provide an opportunity to shape future employees who are familiar with your business processes and values. This reduces the time and expense of onboarding new staff who may need retraining

10. Potential Leadership Development

Over time, apprentices can grow into leadership or specialist roles within your company, ensuring a pipeline of talent for future business needs.

"My employer is not having to spend their limited resources on funding me through an apprenticeship. So, they're really supportive of it."

- Sarah Ellis, Atkinson HR



What qualifications are apprenticeships equivalent to?

Another strength of apprenticeships is that they range from the equivalent of novice to master's degree:

Level	Equivalent educational level
2	GCSE
3	A level
4, 5, 6 and 7	Foundation degree and above
6 and 7	Bachelors or masters degree

How long do apprenticeships take?

This depends on the level of the apprenticeship and can take anything from 12 to 48 months (with the higher-level qualifications being the ones that take longer). On average, a Level 2 apprenticeship typically takes between 15 and 20 months. A Level 3 apprenticeship normally takes 12 – 15 months. Levels 4 and above can take 18 to 48 months.

Funding Apprenticeships

The first question to ask is – as an employer, do you pay the Apprenticeship Levy?



If your annual wage bill is over £3m,
you're a levy payer and a tax of 0.5% of wage bill can be used to cover the cost of apprenticeship training.



If your annual wage bill is less than £3m,
you are a non-levy payer and fall under the co-investment funding model, where 95% of the cost of training is covered by the Government.

However, there are some exceptions and additional funding available, with Government changes to funding that came into force on the 1st April 2024.

Apprenticeship funding can seem confusing, but we have friendly advisors who can help you navigate how to get the most from funding options that are best for your business.

“The whole course is about £18,000... it's a big chunk out of a small company. Total People said “We can help you get your funding”.

I just had some fill in some forms at the time, then Total People sorted absolutely everything out for me. If it wasn't for the funding, I don't know how we'd actually do it.”

- A&B Air Conditioning

Recruiting or Upskilling?

Recruiting

For permanent positions, it's common to see recruitment fees ranging from 10% to 30% of the appointed candidate's first-year salary*. Alternatively, in-house recruitment requires intensive time and resource investment to secure a successful appointment.

**Source: get-staffed.com*

But with an apprenticeship many providers can assist with recruitment, saving you time and saving you money as you find the right person to join your team.

“Total People is one of the largest providers of apprenticeships in the area and have a solid reputation. As a five star property our reputation is built on service. Investing in our people and their development is key to maintaining that standard. Total People take control of the initial recruitment stages which saves time and resources.”

- The Chester Grosvenor Hotel

What are the benefits of recruiting a new apprentice? In addition to adding up to date knowledge and skills to your workforce, apprentices can:

- Bring in new ideas and energy
- Feed your talent pipeline from entry-level up, allowing you to build for tomorrow
- They can become your leaders of the future; apprenticeship qualifications go all the way up to degree level
- Increase your productivity; apprentices perform productive work while completing their apprenticeship
- Give your organisation a real sense that they are building for the future, making you an employer of choice for future recruits.

Upskilling

Apprenticeships are not just for new recruits; you can enrol your existing employees onto an apprenticeship, giving you a quick and easy route to their professional development.

This removes the costs and delays caused by recruitment, as well as time lost while new employees learn their role within the organisation. Existing employees will also already understand your business and its culture.

Upskilling your staff often also results in increased job satisfaction. Employees can benefit from professional development and the recognition that goes along with that, which can result in lower staff turnover. Investing in your employees' development encourages loyalty and helps staff retention.

Using apprenticeships to upskill your team is a very cost-effective way for a business to upskill and develop employees. The Government offers the apprenticeship levy and other funding towards training for new and existing staff.





Onboarding

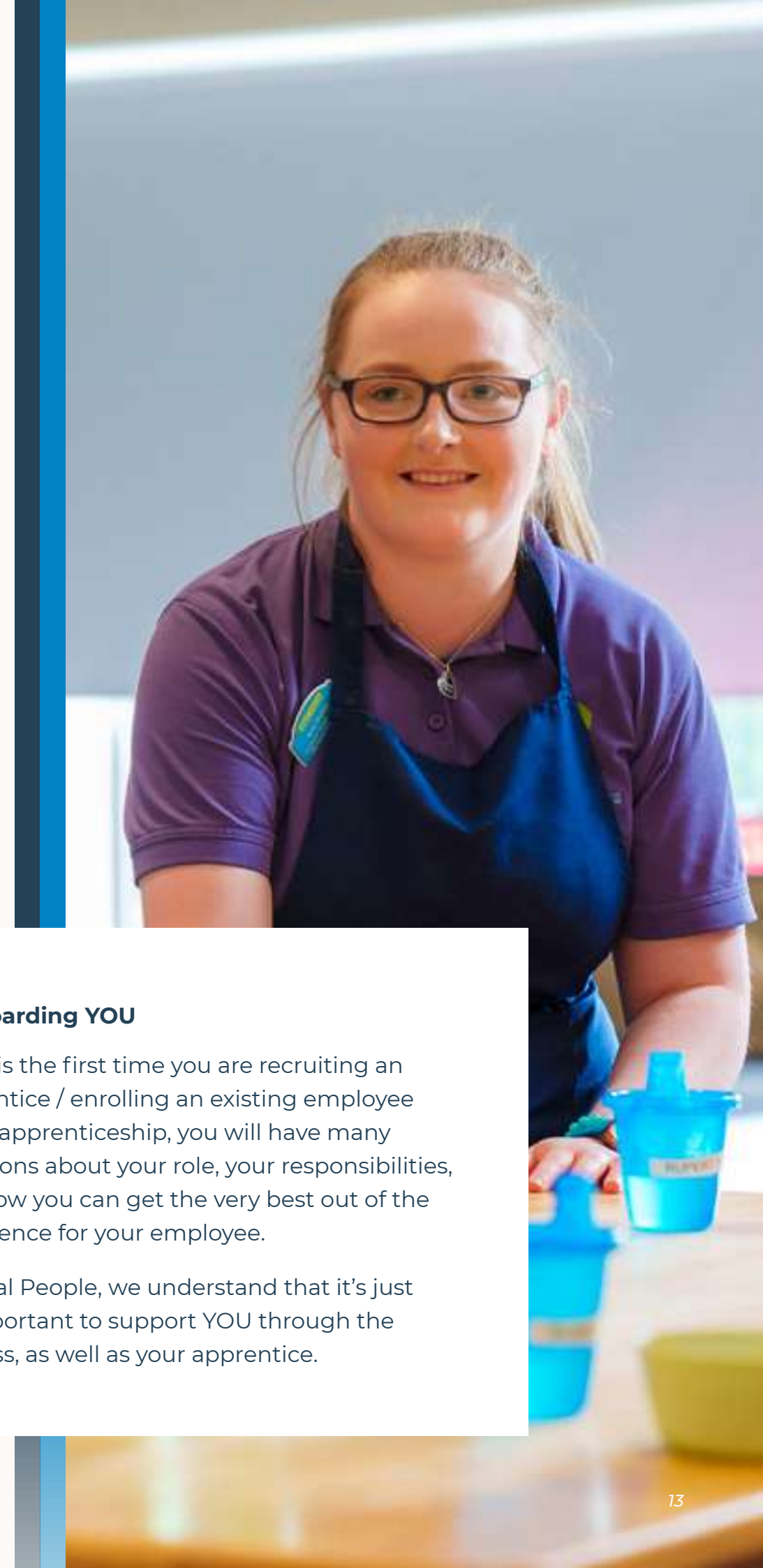
Apprentices are often new to the industry, so the recruitment and onboarding procedures need to be tailored to support their entry into the field.

A structured onboarding plan ensures that apprentices get off to a strong start. This should include an introduction to company policies, team members, and the tools and systems they will use.

Make sure to schedule regular check-ins to address any questions and provide feedback and join them on collaborative meetings with the apprenticeship provider.

It is also important to integrate your apprentices into company culture. Involve your apprentice in team activities and encourage them to take part in company events. Foster an inclusive environment where apprentices feel valued and part of the team - rather than 'just an apprentice'.

Regular feedback and open communication are essential for a smooth integration process.



Onboarding YOU

If this is the first time you are recruiting an apprentice / enrolling an existing employee on an apprenticeship, you will have many questions about your role, your responsibilities, and how you can get the very best out of the experience for your employee.

At Total People, we understand that it's just as important to support YOU through the process, as well as your apprentice.

On and Off-the-Job Training

Apprenticeship training is a combination of on-the-job training and off-the-job training:

On-the-Job Training

Training provided by the employer in the workplace to help the apprentice perform their job duties (just as you would for any other employee). This includes skills and knowledge that are specific to the job role.

Off-the-Job Training

Learning and skills development that takes place outside of the apprentice's normal working environment. This training is typically focused on the knowledge element of the apprenticeship. It might take place at a college, training provider, or even at home.

The Department for Education (DfE) requires that apprentices spend at least 20% of their working hours on off-the-job training. This is a legal requirement and is protected time.

End Point Assessment

End Point Assessment (EPA) comes at the end of the apprenticeship journey and is carried out by an external organisation. EPA involves a range of assessment methods and differs depending on the type of apprenticeship.

It may include a competency-based interview, a professional discussion to demonstrate knowledge and an assessment of your portfolio of evidence.

Our Offer

“This is our 10th year of offering apprenticeships and we have used Total People for each of those 10 years. The majority of our workforce have been through the apprenticeship scheme and three of the original apprentices are now in management roles within the company.”

- A&B Air Conditioning

As an established training provider, Total People offers an end-to-end service that includes:

- Working with you to understand your business needs, plans and direction
- Advising how to invest in the right training and development
- Accessing funding to maximize the return on your investment
- Helping you develop a training plan for your business needs
- Supporting recruitment with our 'Connect' programme
- Navigating the paperwork through the whole process.

At Total People we offer qualifications in:

- | | |
|-------------------------------|--------------------------------------|
| • Accountancy | • Management |
| • Bus & Coach and HGV | • Property |
| • Business and Administration | • Refrigeration and Air Conditioning |
| • Customer Service | • Scaffolding |
| • Early Years and Education | • Teaching Assistant. |
| • Engineering | |
| • Human Resources | |

One of the main benefits of working with Total People is the breadth of our offer. We don't just deliver training, we design it. We'll work with you to provide tailored training solutions to make sure that your apprentice learns everything that you need.

NEXT STEPS



Contact one of our friendly advisors

Phone: **0333 322 2666**

Email: enquiries@totalpeople.co.uk

Visit: www.totalpeople.co.uk/employers

1.

We will work with you to understand your business needs, plans and direction.

2.

We will support you with any questions you have throughout your journey.

3.

We will work with you to maximise funding and recruitment.

For more information



@tpapprenticeships



Total People



@totalpeople



/totalpeople

Total People is part of LTE group. LTE group is committed to equality of opportunity, non-discriminatory practices and supporting individual students. This information is also available in a range of formats, such as large print, on request.